

**AGENDA
CITY COUNCIL MEETING
December 17, 2013**

1. [Approval of Minutes – December 3, 2013](#)

2. [Approval of Claims](#)

Anyone desiring to view the Open Meetings Act may do so. The document is available for public inspection and is located on the south wall of the City Council Chambers.

The City 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.

3. Introduction of new Police Sergeant Jason Sears

4. Presentation of the 2013 Advocacy Award given out by the Nebraska Library Association PLTS section to Charlene Rasmussen — Lauran Lofgren, Library Director

5. [Action to give notice to Nebraska Public Power District on Intent to Reduce Contract Power Purchase](#)

Background:

1. **Summer 2002:** NPPD signed new 20-year total use contracts with 165 wholesale customers. All contracts contain the option to reduce or level off purchases from NPPD after 2010.
2. **Sometime in 2012:** NPPD joins the 7 state Southwest Power Pool (SPP) Regional Transmission Organization. All generation plants in the RTO can bid their power into this big unrestricted transmission system and sell to anyone else in the 7 state system. Wayne can now buy power from any generation plant in the 7 state area. In this group, NPPD still owns its transmission system, but it has relinquished control to SPP. Because it lost contracts with Lincoln Electric and MidAmerica Energy, NPPD has about 20% excess generation capacity. NPPD has a large nuclear plant and two large coal plants that are “must run” plants. These plants have to run all the time or not at all and can’t be ramped up and down to match NPPD’s contract customer load. Beginning in 2014, NPPD will have to bid all their power produced into the SPP at the market price and buy back only the amount they need to serve their customers. If the SPP market price is lower than NPPD production cost, as it has been for the last five years, the loss to NPPD is charged back to contract customers through higher rates. The market prices are projected to stay lower than NPPD costs for another 5 years. NPPD wholesale power rates have increased about 68% in the first half of our current contract.
3. **October 2012:** Pat Pope said they’ll need all wholesale customers to sign new contracts in 2013 to cover the bond market’s need to secure \$1-2 billion in additional loans for power plant upgrades and transmission lines.

4. **October 2012:** Wayne and Central City drafted an interlocal agreement for cities to organize the Municipal Energy Interests Group (MEIG) to jointly perform our fiduciary duty to do the due diligence for the new NPPD contract. MEIG's role would be to solicit Requests for Proposals from the regional market for optional power and retain a rate consultant to compare them to the NPPD contract.
5. **February 2013:** Pat Pope proposes a deadline of December, 2013, to sign new 25-year contracts.
6. **March 2013:** NPPD began discussions at meetings with wholesale customers about the terms of a new contract. No terms are agreed on. MEIG declines to begin any due diligence search of the market for comparison contracts.
7. **July 2013:** Northeast Nebraska Public Power District, Wayne, Wakefield, Emerson and South Sioux City organize our own group to begin our due diligence by publicly issuing RFP's for contracts to supply power to our five member group.
8. **July 2013:** NPPD establishes a special 25 person customer committee to negotiate terms for a new 20-year contract. I'm on that committee.
9. **August 2013:** Our northeast RFP group received 20 proposals in response to our RFP. We found there are many good options out there and select and interview 5 utilities regarding their proposals. Three were close in their rates and terms. We selected Big Rivers as the low cost proposal.
10. **September 2013:** NPPD gave up on the December, 2013, deadline for customers to sign new contracts. It wasn't announced -- we learned by word of mouth. NPPD is continuing the regular negotiation meetings of the special 25 person customer contract committee, but no terms have been able to be agreed on after months of meetings.
11. **Our northeast RFP group has a deadline of December 31st to accept the Big Rivers' proposal for a 10-year contract to provide power at a rate 13% under whatever the NPPD rate is for the next 10 years. Todd Hegwer, our RFP group consultant, calculates the savings for Wayne in that contract to be \$6 million over 10 years. After December 31st, the Big Rivers' discount drops to 10%. Our City of Wayne rate consultant confirms that is a reasonable calculation of the savings.**
12. **In order to accept the Big Rivers' contract, we have to give the required five year notice in our current NPPD contract to reduce our purchases down to 10% beginning in 2019. We will continue to be an NPPD contract customer at 10% of our contract level until 2022. We will always be an NPPD transmission customer, regardless of where we buy power because NPPD still owns the power lines. NPPD will still carry the same amount of power to the same customers at the same SPP rate no matter where we buy our power. A copy of the Notice to Reduce has been prepared by our city attorney and is included in this packet.**

Recommendation: The recommendation of Gene Hansen, Superintendent of Electric Production, Lowell Johnson, City Administrator, Todd Hegwer, RFP group rate consultant, and Mike Towne, City of Wayne rate consultant, is to give 5 years notice before December 31, 2013, to NPPD of our intent to reduce to 10% beginning in 2019.

6. [Action to approve a Five-Year Notice to Nebraska Public Power District to Terminate the City of Wayne's Capacity Lease Agreement Effective December 31, 2018](#)

Background: Along with our 20-year NPPD Power Purchase Contract, Wayne has a simultaneous 20-year Capacity Lease Agreement that leases the Wayne power plant to NPPD. As long as we purchase all of our power from NPPD (except for the power we get from the Missouri River Dams through Western Area Power Administration), NPPD agrees to pay us \$640,000 per year and provides the fuel to run the plant. If we give notice to reduce our purchases beginning in 2019, we also have to give notice to terminate our Capacity Lease Agreement. We have to give this notice to terminate before we can contract for power from Big Rivers or choose to buy power on the market against the unrestricted capacity of our own power plant.

Recommendation: The recommendation of Gene Hansen, Superintendent of Electric Production, Lowell Johnson, City Administrator, Todd Hegwer, RFP group rate consultant, and Mike Towne, City of Wayne rate consultant is to give 5 years notice before December 31, 2013, to NPPD to terminate the Capacity Lease Agreement.

7. [Resolution 2013-126:](#) [Accepting an Offer to Purchase Bulk Power to be delivered from Generating Plants Controlled by the Mid-Continent Independent System Operator \(MISO\). The new purchase agreement will supplement the District's existing bulk power purchases from NPPD through 2021 and then provide power to meet all of the District's needs through 2027. The competitive offer from the MISO supplier was the result of the District's competitive bid process and complies with the District's existing contract with NPPD.](#)

Background: This is the Big Rivers' Contract to supply power to Wayne for ten years. Action to approve this would authorize the Mayor to execute, before December 31st, the ten-year contract to provide power to us at a rate 13% below the NPPD rate for ten years. Todd Hegwer, our RFP group consultant, calculates the savings for Wayne in this contract to be \$6 million over 10 years. The second primary benefit to Wayne and our northeast RFP group is that it provides a short-term, smooth transition out of the NPPD contract under the allowed terms of the NPPD contract into a position that allows the council, in ten years, to find the best market options at that time.

An alternative to the Big Rivers' Contract is to do as Neligh and other towns do – buy energy only from the seven state SPP market. We would use our power plant for emergency back up instead of paying the demand charge every month to NPPD. Our City of Wayne rate consultant Mike Towne has prepared the excel spreadsheet titled “Energy Only Option” projecting the savings from this option. The spreadsheet is in the packet. In our current contract, Wayne pays NPPD about \$1.3 million/year in production demand charges. That is about 1/3 of our NPPD bill that would go away. The estimated net savings to Wayne is shown to be about \$702,963 beginning in 2019 and increasing each year for ten years. Mike Towne projects the savings from this option to be about \$12 million over ten years if the current market price of \$.045/kWh escalates by 4% per year for 10 years. No one can know what the market will do. Mike calculates this to be the best option unless the annual market price increases are over 7% each year for 10 years. 7% is the break even point between the two options, but still provides a \$5 million savings over the NPPD rate.

Signing a 20-year contract with NPPD locks Wayne into subsidizing NPPD losses and out of the new lower cost natural gas, wind and renewable generation market opportunities that are already becoming available in the 7 state SPP. Pat Pope and Traci Bender, NPPD CFO, both are saying that in order to opt out of the next NPPD 20-year contract or choose to not renew at the end of that contract, we would have to be charged a prorated share of the remaining unpaid NPPD debt at the time. NPPD has \$2 billion borrowed now, is over capacity and plans to borrow another \$1-2 billion. Our share of the NPPD debt could be \$10 million, which would make us a captive NPPD customer, because in 20 years, NPPD will be borrowing a couple of billion more to build a new power plant to replace Cooper.

Recommendation: This is one of those times when there are two good options, and the decision is a matter of risk tolerance. We have retained two rate consultants to argue the options. The Big Rivers' contract provides half the savings, but less market risk. The "buy energy-only" option projects twice the savings, but has more market risk.

- **Big Rivers:** The recommendation of rate consultant Todd Hegwer is to accept the Big Rivers' contract and execute it before December 31, 2013. His written recommendation and spreadsheets are included in this packet. His focus is to give up some savings in return for pricing stability and protection for the Wayne utility and our retail customers. The preference of Gene Hansen, Superintendent of Electric Production, is to accept the Big Rivers' contract as a prudent way to save significant, albeit not all, of the projected savings possible.
- **Buy Energy-only against our power plant capacity:** The recommendation of Mike Towne is to stay in the market, hedge summer price spikes and not run the power plant except for outages. His written recommendation and spreadsheet is included in this packet. Mike Towne and I don't think the market will increase by 7%/year in this 10-year period because of all the new natural gas and wind generation that is being built in MISO, the RTO to the east, and SPP and accessible to us. When the wind blows, wind turbine power gets precedence over the transmission system because the wind blows only about 40% of the time. That means the more wind generation that gets built, the more times wind generation runs into excess coal and nuclear generation and temporarily ruins the market value of the power from "must run" plants that can't shut down but have no where to go with the power. Because of excess power transmission jam ups, it has already occurred that during low demand times of the night in spring or fall, the market value of the energy in certain areas plummeted to zero or negative and NPPD and others had to pay someone to take the power for a few hours. Those losses get charged directly to NPPD contract customer rates. The unpredictable element in the market is potentially expensive new EPA air quality requirements for coal generation plants. My preference is to not lock into a contract that leaves half of the savings on the table.

Both consultants are experienced and well regarded for their work. The final policy decision regarding risk versus savings will be decided by the elected officials. Neither consultant, nor any city staff, will recommend a 20-year contract with NPPD locking Wayne out of the coming new SPP market and renewable fuel opportunities.

8. [Update on the Street Sweeper Specifications that is being Advertised for Bids](#)

Background: In an earlier email to you, I described the pricing opportunity that we have discovered if we buy the 3 wheel sweeper that we are specifying in the bid proposal before December 31, 2013. New EPA emission requirements must be on all sweepers sold beginning January 1st, raising the prices by about 10%. We have budgeted \$165,000 to buy a replacement sweeper this fiscal year and are advertising for bids at this time. Todd Hoeman and Lowell Heggemeyer will present the specs for the sweeper we want and answer any questions you may have. Bid opening is December 27th. If we get a bid for a sweeper that meets our specs and is within the budget for that amount, we wish to accept the low bid and sign a purchase agreement to buy it before December 31st and have the Council approve the purchase claim at the January 7th Council meeting.

9. [Public Hearing: Application of Gander Foods, LLC, d/b/a “Godfather’s Pizza” for a Retail Class CK Liquor License \(Advertised Time: 5:30 p.m.\)](#)
10. [Resolution 2013-131: Approving Application of Gander Foods, LLC, d/b/a “Godfather’s Pizza” for a Retail Class CK Liquor License](#)
11. [Resolution 2013-123: Making Findings and Declaring Portions of the City of Wayne to be Blighted and Substandard Pursuant to the Nebraska Community Development Act — North Central Redevelopment Area](#)

Background: The blight determination study and proposed map were heard at an earlier City Council public hearing and several requests for changes were received from Councilmembers. A redraft of the map is in the packet that includes the changes requested. Northeast Nebraska Economic Development District made the changes, and the cost of the work is still under the contract price for the work.

Recommendation: Northeast Nebraska Economic Development District and Wayne city staff recommended the original map, and the final version is the prerogative of the elected officials.

12. [Ordinance 2013-51: Amending Chapter 90 Zoning, Division 4 PUD Planned Unit Development, Section 90-641 Intent \(Third and Final Reading\)](#)
13. [Resolution 2013-132: Directing City Clerk to Certify Razing Costs to the Wayne County Clerk and Wayne County Treasurer to become a Lien on Tax Lot 22 \(50x100 ft. tract\) in the Northwest Quarter of the Southwest Quarter of Section 18, Township 26 North, Range 4, East of the 6th P.M., more commonly described as 111 Fairgrounds Avenue](#)

Background: This represents additional costs incurred by the City to raze the building and clear the lot as part of the Property Maintenance Code enforcement action.

Recommendation: The recommendation of Lowell Johnson, City Administrator, is to approve the Resolution to secure the public interest in the property.

14. [Action to Approve Demand Letter to Property Owner of 111 Fairgrounds Avenue and Clarification of Repayment Timeframe](#)

15. [Resolution 2013-133: Authorizing the Sale of Real Estate to the County of Wayne, Nebraska](#)

Background: The original purchase agreement will be approved with an additional provision to allow the Wayne Police Department exclusive use of the storage building for containment of evidence cars for 12 months from the date of closing at no cost to the city. During that time, the unheated storage building for the water/wastewater plant will be built on site. That building will provide a new location for exclusive use for Police Department evidence car storage.

Recommendation: The recommendation of Lowell Johnson, City Administrator, and Garry Poutre, Superintendent of Public Works & Utilities, is to approve the purchase agreement with the change.

16. [Ordinance 2013-53: Directing the Sale of Real Estate to the County of Wayne, Nebraska](#)

17. [Resolution 2013-134: Accepting Proposal and Awarding Contract to Advanced Gaming Technologies to Operate Keno-Type Lottery within the City of Wayne](#)

Background: After Requests for Proposals were mailed out to ten vendors, two were received back. After reviewing both proposals, one of which did not meet the specifications of the RFP, staff recommendation is to award the contract to Advanced Gaming Technologies. The City's percentage will be 10% of the gross proceeds while the keno game is being operated at separate random generated locations (satellite locations) and then being reduced to 8% when the live ball draw is open (when Ken Jorgensen's restaurant opens). John Hassett will be at the meeting to answer any questions you may have. He will also be sending over a contract for the City Attorney's office to review prior to the meeting.

A copy of the submitted specifications are included in this packet.

Recommendation: Staff recommendation is to award this contract to Advanced Gaming Technologies.

18. [Action to Approve an Extension Request for Community Development Block Grant #13-CIS-006 \(Comprehensive Investment & Stabilization Needs Assessment\) to March 31, 2014](#)

Background: The 2010 US Census designated the southeast quadrant of Wayne as eligible for grant funding assistance for public improvements such as water and sewer main replacement. In order to submit the application for funding, a "Needs Assessment" of the area must be completed and a public hearing held to see if the residents desire to have selected work done there. The deadline for submittal is December 31st, and we simply didn't get to the "Needs Assessment" while we were

responding to the tornado damage, follow-up time with FEMA documentation and reporting, and insurance claims.

Recommendation: The recommendation of Nancy Braden, Finance Director, and Lowell Johnson, City Administrator, is to approve the request for an extension of time to complete the “Needs Assessment” and hold the public hearing.

19. [Presentation by BJ Woehler on a Proposed Project in the Industrial Drive East Area and a Request for a Sense of the Council about the Project and Obtaining Tax Increment Financing for the Same](#)
20. [Ordinance 2013-50: Annexing Certain Real Estate to the City of Wayne and Extending the Corporate Limits in the Northeast Quadrant of the City of Wayne to Include said Real Estate \(Third and Final Reading\)](#)

Background: Because Pacific Coast has announced that they will not be rebuilding in Wayne, Mayor Chamberlain has asked that this Ordinance and the following Resolution be placed back on the agenda for approval so that incentives such as tax increment financing, etc., can be provided to any new businesses wanting to purchase the property.

21. [Resolution 2013-129: Making Findings and Declaring Portions of the City of Wayne to be Blighted and Substandard Pursuant to the Nebraska Community Development Act — Industrial Drive East Area](#)
22. Adjourn

APPROVED AS TO FORM AND CONTENT:

Mayor

City Administrator

[Wayne Municipal Airport Authority Meeting Minutes – November 25, 2013](#)

[Wayne Planning Commission Meeting Minutes – November 4, 2013](#)

December 3, 2013

The Wayne City Council met in regular session at City Hall on Tuesday, December 3, 2013, at 5:30 o'clock P.M. Mayor Ken Chamberlain called the meeting to order with the following in attendance: Councilmembers Rod Greve, Jon Haase, Jennifer Sievers, Nick Muir, Kaki Ley, Matt Eischeid, and Jill Brodersen; City Administrator Lowell Johnson; and City Clerk Betty McGuire. Absent: Councilmember Cale Giese and City Attorney Eric Knutson.

Notice of the convening meeting was given in advance by advertising in the Wayne Herald on November 21, 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 Sievers made a motion, which was seconded by Councilmember Ley, whereas, the Clerk has prepared copies of the Minutes of the meeting of November 19, 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, the Mayor declared the motion carried and the Minutes approved.

The following claims were presented to Council for their approval:

VARIOUS FUNDS: ADVANCED CONSULTING, SE, 7737.55; ALTEC INDUSTRIES, SU, 73.97; AMERITAS, SE, 2230.46; APPEARA, SE, 94.98; AS CENTRAL SERVICES, SE, 448.00; BANK FIRST, FE, 120.00; CITY EMPLOYEE, RE, 105.16; BLACK HILLS ENERGY, SE, 632.00; BOMGAARS, SU, 880.68; BSN SPORTS, SU, 437.93; CENTURYLINK, SE, 313.37; CHILD SUPPORT, RE, 100.00; CITY OF NORFOLK, SE, 214.55; CITY OF WAYNE, RE, 150.00; CITY OF WAYNE, RE, 500.00; CITY OF WAYNE, RE, 11.37; CITY OF WAYNE, PY, 68098.88; CITY OF WAYNE, RE, 471.63; COMMUNITY HEALTH, RE, 4.00; DE LAGE LANDEN FINANCIAL, SE, 77.00; DEARBORN NATIONAL LIFE, SE, 1824.86; CITY EMPLOYEE, RE, 60.23; DUTTON-LAINSON, SU, 685.33; EXHAUST PROS, SE,

16.00; FIRST CONCORD GROUP, SE, 3701.94; FREDRICKSON OIL, SE, 14.00; GEXPRO, SU, 22.90; HANSEN, GENE K., RE, 12.32; HOLIDAY LITE & TRIM, SU, 329.40; ICMA, SE, 6376.70; IRS, TX, 24926.42; ISG INFRASYS, SU, 90.00; JEO CONSULTING GROUP, SE, 2165.00; CITY EMPLOYEE, RE, 215.06; KRIZ-DAVIS, SU, 2321.48; KTCH, SE, 44.00; MARCO, SE, 113.74; MATT LEY, RE, 100.00; MIDWEST MESSENGER, SU, 35.10; NE DEPT OF ENVIRONMENTAL, RE, 201143.19; NE DEPT OF REVENUE, TX, 3447.74; NORFOLK TRUCK CENTER, SE, 2674.07; N.E. NE AMERICAN RED CROSS, RE, 59.24; NNPPD, SE, 5385.00; CITY EMPLOYEE, RE, 706.14; POSTMASTER, SE, 566.11; PROVIDENCE MEDICAL CENTER, RE, 2875.88; QUILL, SU, 1025.94; SCOTT HASEMANN, RE, 50.00; SIOUX CITY WINNELSON, SU, 19.91; SOLOMON CORP, SU, 198.97; STADIUM SPORTING GOODS, SU, 750.00; STATE NATIONAL BANK, RE, 105.44; STEFFEN, SU, 1706.65; SUN RIDGE SYSTEMS, SE, 2730.00; CITY EMPLOYEE, RE, 110.25; TYLER TECHNOLOGIES, SE, 400.00; UNITED WAY, RE, 12.40; VERIZON, SE, 302.28; VIAERO, SE, 258.20; WAYNE COUNTY COURT, RE, 300.00; CITY EMPLOYEE, RE, 86.00; AMERICAN BROADBAND, SE, 2653.69; APPEARA, SE, 186.10; ARNIE'S FORD-MERCURY, SE, 714.28; BARONE SECURITY SYSTEMS, SU, 78.00; CITY EMPLOYEE, RE, 15.42; BINSWANGER GLASS, SE, 278.00; BLUE CROSS BLUE SHIELD, SE, 25342.12; CITY EMPLOYEE, RE, 168.74; BROWN SUPPLY, SU, 3755.68; CHARLES RUTENBECK, RE, 392.10; CITY OF WAYNE, RE, 500.00; CITY OF WAYNE, RE, 500.00; CLEAN TO A T, SE, 1300.00; COPY WRITE, SU, 276.59; CITY EMPLOYEE, RE, 217.41; CITY EMPLOYEE, RE, 4578.81; DUTTON-LAINSON, SU, 175.99; EAKES OFFICE PLUS, SE, 209.49; ECHO GROUP, SU, 168.00; FIRST CONCORD GROUP, RE, 5497.91; FREDRICKSON OIL, SE, 109.54; GERHOLD CONCRETE, SU, 141.66; GILL HAULING, SE, 155.00; CITY EMPLOYEE, RE, 270.66; HEIKES AUTOMOTIVE, SE, 122.48; HERITAGE INDUSTRIES, SU, 110.66; HOMETOWN LEASING, SE, 73.51; JASON CAROLLO, SE, 40.00; JOHNSON'S PLUMBING, SE, 365.00; KLEIN ELECTRIC, SE, 22332.35; LP GILL, SE, 82.46; MIKE TOWNE, SE, 1800.00; MILO MEYER CONSTRUCTION, SE, 988.00; NPPD, RE, 191962.51; NORFOLK IMPLEMENT, SU, 350.94; NNPPD, SE, 4949.36; O'KEEFE ELEVATOR, SE, 1483.98; ONE CALL CONCEPTS, SE, 79.45; CITY EMPLOYEE, RE, 120.64; PIEPER & MILLER, SE, 1418.00; CITY EMPLOYEE, RE, 268.98; QUILL, SU, 195.12; TERRY LUTT, RE, 500.00; TERRY MEYER, RE, 936.90; THE MAX AGAIN, RE, 459.48; TOM'S BODY & PAINT SHOP, SE, 55.00; VERIZON, SE, 101.94; WAYNE COUNTY CLERK, SE, 142.00; WAYNE VETERINARY CLINIC, SE, 210.00; WESCO, SU, 74.55

Councilmember Sievers made a motion, which was seconded by Councilmember Brodersen, to approve the claims. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, 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.

Councilmember Giese arrived at 5:33 p.m.

Heather Claussen, Chair of the Swimming Pool Committee, and Dave Henke, representing JEO Consulting Group, gave a report on the swimming pool evaluation/study that has been taking place over the past several years. Currently, the pool, for its age, is in very good working condition. However, the current pool, as well as the baby pool and bathhouse do not meet the current ADA regulations for accessibility.

The study resulted in the following six different recommendations:

- Option “A” – Widen existing main pool to achieve 6 lanes, add zero depth into main pool, deepen the diving well, replace the pool slide and new bathhouse. **Cost: \$2.2 – 2.5 million.**
- Option “B” - Build a new 5-6,000 SF pool with zero depth entry, diving well, 6 swimming lanes and new parking lot. 13th Street would be a through street. Existing pool facility would remain until new facility opens. **Cost \$2.8 – 3.5 million.**
- Option “C” – New indoor 6 lane 25 meter pool with bleachers and new zero depth outdoor pool with slides and water play features at Activity Center. Building addition for the indoor pool also included additional area for other indoor activities that were left undefined. **Cost - \$4.5 – 5 million.**
- Option “D” - New indoor 6 lane 25 meter pool with bleachers and new 5-6,000 SF zero depth outdoor pool with slides and water play features at Activity Center. Building additions include a filter room with storage for the indoor pool portion and also included additional building area for other indoor pool filters. **Cost - \$6.6 – 7.5 million.**
- Option “E” - Included no physical changes to the existing main pool, a new bathhouse and converting the wading pool into a splash pad. **Cost - \$.9 to 1.2 million.**
- Option “F” – Build a 5-6,000 SF outdoor pool at the existing Activity Center with a slide, zero depth entry, 6 lane swimming/lap lanes and bleachers. **Cost - \$2.2 – 2.9 million.**

All options proposed at the Activity Center did not include any new bathhouse features and will be using the existing dressing/locker/restroom facilities already based there.

Staff was directed to obtain information from other communities with indoor pools regarding expenses, operating costs, usage, etc.

The Pool Committee and JEO recommend Option D. Either the indoor or the outdoor pool could be built first before the other one if funding for both is not available.

Mayor Chamberlain thanked the Committee and thought this matter would be a good topic to be discussed at their retreat.

Randy Larson, representing the Wayne County Commissioners, was present concerning their request for Council to consider selling Wayne County the pole yard property for the sum of \$50,000. They are in need of more room to house equipment and chemicals. This need has been enhanced due to the October 4th tornado, which destroyed one of their buildings.

Because this property/building houses impound vehicles by the Police Department, further discussion needed to take place on where these things could be relocated, etc., or what needed to be done to the building in order to share the same.

No action was taken on the matter.

Mayor Chamberlain declared the time was at hand for the public hearing to consider the Planning Commission's recommendation in regard to Amending the Wayne Municipal Code, Section 90-142 Permitted Principal Uses and Structures in the A-2 Agricultural Residential District, by adding item # 8 Unattached Accessory Use (Garage / Storage Shed) or Section 90-144 Exceptions in the A-2 Agricultural Residential District, by adding item # 13 Unattached Accessory Use (Garage / Storage Shed), by adding related language to allow for an

accessory structure to be placed on property with no other primary structures. The applicant for the request is Wayne and Regina Korth.

Joel Hansen, Zoning Administrator, stated the Planning Commission met and forwarded a recommendation to amend Section 90-142 Permitted Principal Uses and Structures by adding No. 8 – Structures that would be considered accessory structures if there was a dwelling on the premise, with the “Findings of Fact” being:

- Staff’s recommendation; and
- The same is consistent with the current and future land use maps, and it is consistent with the Comprehensive Plan.

Wayne and Regina Korth were present to answer questions. They want to place a large storage shed (48’x58’) on property they own in the A-2 Agricultural Residential District. Currently, the zoning code does not allow any accessory type structures on lots without a primary principal structure (house).

The Korths would like to build this shed as soon as possible. If the same would be approved as a use by exception, they will have to come back before the Planning Commission and the Council, pay another \$400 fee, do a title search, etc.

City Clerk McGuire had not received any comments, either verbal or in writing, for or against this public hearing.

There being no further comments, Mayor Chamberlain closed the public hearing.

Councilmember Giese introduced Ordinance No. 2013-52 and moved for approval thereof; Councilmember Sievers seconded.

ORDINANCE NO. 2013-52

AN ORDINANCE AMENDING WAYNE MUNICIPAL CODE CHAPTER 90, ARTICLE III, DIVISION 3 A-2 AGRICULTURAL RESIDENTIAL DISTRICT, SECTION 90-142 PERMITTED PRINCIPAL USES AND STRUCTURES OR SECTION 90-144 EXCEPTIONS; TO PROVIDE FOR THE REPEAL OF

CONFLICTING ORDINANCES OR SECTIONS; AND TO PROVIDE FOR AN EFFECTIVE DATE.

Because there was some confusion regarding the Ordinance and the two sections being proposed, Councilmember Giese amended his motion and reintroduced Ordinance No. 2013-52 and moved for approval thereof; Councilmember Sievers seconded.

ORDINANCE NO. 2013-52

AN ORDINANCE AMENDING WAYNE MUNICIPAL CODE CHAPTER 90, ARTICLE III, DIVISION 3 A-2 AGRICULTURAL RESIDENTIAL DISTRICT, SECTION 90-142 PERMITTED PRINCIPAL USES AND STRUCTURES; 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, the Mayor declared the motion carried.

Councilmember Sievers made a motion, which was seconded by Councilmember Greve, to suspend the statutory rules requiring ordinances to be read by title on three different days. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, the Mayor declared the motion carried.

Councilmember Sievers made a motion, which was seconded by Councilmember Greve, to move for final approval of Ordinance No. 2013-52. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, the Mayor declared the motion carried.

Mayor Chamberlain declared the time was at hand for the public hearing to consider the Planning Commission's recommendation regarding the Preliminary and Final Plat for Giese Addition.

Joel Hansen, Zoning Administrator, stated the Planning Commission reviewed the Preliminary and Final Plat for the Giese Addition and forwarded a recommendation to approve the same subject to the following "Finding of Fact": Staff's recommendation.

This plat will make clear the property boundaries where the City owns a strip of land for construction of the walking trail.

City Clerk McGuire had not received any comments, either verbal or in writing, for or against this public hearing.

There being no further comments, Mayor Chamberlain closed the public hearing.

Councilmember Ley introduced Resolution 2013-127, and moved for its approval; Councilmember Sievers seconded.

RESOLUTION NO. 2013-127

A RESOLUTION APPROVING THE PRELIMINARY AND FINAL PLAT FOR THE GIESE ADDITION.

Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, the Mayor declared the motion carried.

Mayor Chamberlain declared the time was at hand for the public hearing to consider the Planning Commission's recommendation regarding the Preliminary and Final Plat for the South Side Addition.

Joel Hansen, Zoning Administrator, stated the Planning Commission reviewed the Preliminary and Final Plat for the South Side Addition and forwarded a recommendation to approve the same subject to the following "Finding of Fact": Staff's recommendation.

Lowell Heggemeyer was present to answer questions. Mr. Heggemeyer would like to divide his property in order to sell part of it. Some of the property has never been

platted and is merely described as a tax lot. This will legally subdivide the property such that Mr. Heggemeyer can sell some of it.

City Clerk McGuire had not received any comments, either verbal or in writing, for or against this public hearing.

There being no further comments, Mayor Chamberlain closed the public hearing.

Councilmember Ley introduced Resolution 2013-128, and moved for its approval; Councilmember Giese seconded.

RESOLUTION NO. 2013-128

A RESOLUTION APPROVING THE PRELIMINARY AND FINAL PLAT FOR THE SOUTH SIDE ADDITION.

Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, with the exception of Councilmember Eischeid who abstained, the Mayor declared the motion carried.

Mayor Chamberlain declared the time was at hand for the public hearing on the “Blight and Substandard Area Determination” known as the “Industrial Drive East Area.”

Northeast Nebraska Economic Development District prepared the blight study.

This area includes the Pacific Coast property, the Williams Form property, Robert Woehler & Sons Construction area, etc. Declaring this area blighted and substandard and then annexing the property makes it eligible for tax increment financing. The damage sustained by the tornado is what qualifies this area as blighted and substandard.

No written or oral comments had been received by the City Clerk’s Office concerning the public hearing.

There being no further comments, Mayor Chamberlain closed the public hearing.

Since no word has been heard yet from Pacific Coast Feather on whether or not they are rebuilding, and the annexation of this area has not taken place yet, no action was taken on Resolution No. 2013-129 declaring this area as blighted and substandard.

Discussion then took place on the Blighted and Substandard Study for the “North Central Redevelopment Area” which was tabled at the last meeting.

After discussion, Council wanted to extend the boundaries east on 9th Street to the back yards of the houses on Pine Heights Road

Staff thought the costs would be minimal, if any, to have Northeast Nebraska Economic Development District amend the area in question.

Councilmember Eischeid made a motion, which was seconded by Councilmember Giese to amend the “North Central Redevelopment Area” blight study to include Ninth Street up to 10th Street and continue east to the utility easement behind Pine Heights Road.” Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, the Mayor declared the motion carried.

Councilmember Ley introduced Ordinance 2013-51, and moved for approval of the second reading thereof; Councilmember Muir seconded.

ORDINANCE NO. 2013-51

AN ORDINANCE AMENDING WAYNE MUNICIPAL CODE CHAPTER 90, ARTICLE VII, DIVISION 4 PUD PLANNED UNIT DEVELOPMENT, SECTION 90-641 INTENT; 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, the Mayor declared the motion carried. The third and final reading will take place at the next meeting.

The following Resolution would direct the City Clerk to file a lien against 111 Fairgrounds Avenue for the cost of work hired by the City to abate a violation of City Code after proper notice was given to the property owner.

Councilmember Brodersen introduced Resolution No. 2013-125 and moved for its approval; Councilmember Sievers seconded.

RESOLUTION NO. 2013-125

A RESOLUTION DIRECTING CITY CLERK TO CERTIFY RAZING COSTS TO THE WAYNE COUNTY CLERK AND THE WAYNE COUNTY TREASURER TO BECOME A LIEN ON TAX LOT 22 (50X100 FT. TRACT) IN THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 18, TOWNSHIP 26 NORTH, RANGE 4, EAST OF THE 6TH P.M., WAYNE COUNTY, NEBRASKA, MORE COMMONLY DESCRIBED AS 111 FAIRGROUNDS AVENUE, WAYNE, NEBRASKA.

Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, the Mayor declared the motion carried.

Councilmember Muir made a motion, which was seconded by Councilmember Sievers, approving action to foreclose on property commonly described as 111 Fairgrounds Avenue.

Councilmember Muir amended his motion, which was then seconded by Councilmember Sievers, approving action to foreclose on property commonly described as 111 Fairgrounds Avenue after the owner has had the ability to pay the liens. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, the Mayor declared the motion carried.

A pay request has been received from Robert Woehler & Sons Construction for the Chief's Way Sanitary Sewer & Water Extension Project in the amount of \$22,637.32. The engineer on the project has approved the same.

Garry Poutre, Superintendent of Public Works & Utilities, updated the Council on the project.

Councilmember Brodersen made a motion, which was seconded by Councilmember Muir, approving Pay Application No. 3 in the amount of \$22,637.32 to Robert Woehler & Sons Construction for the Chief's Way Sanitary Sewer & Water Extension Project. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, the Mayor declared the motion carried.

Mayor Chamberlain stated a loan application has been received from Sand Creek Post & Beam, Inc., for \$193,900. Again, this loan would be a zero percent interest loan, with a payback period of 15 years. These would be equal annual payments, and a lien would also be filed against the property.

He noted he has appointed a committee to review the applications prior to coming before Council to determine the validity of each of them. Councilmember Eischeid is on this committee.

No one was present from Sand Creek Post & Beam, Inc.

Councilmember Muir made a motion, which was seconded by Councilmember Giese, approving the application of Sand Creek Post & Beam, Inc., for \$193,900 in LB840 funds to be used as an emergency business loan in the tornado disaster recovery, with an interest rate of 0%, and a payback period of 15 years. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, the Mayor declared the motion carried.

Todd Hegwer, the City's energy consultant/analyst and contract negotiator, updated the Council on options for a long-term contract for wind power.

Mayor Chamberlain stated that Nebraska Public Power District will be meeting next week. We are waiting for clarification of some of the clauses in our agreement with them. Therefore, he asked that the next two agenda items be tabled until the next meeting.

City Attorney Eric Knutson arrived at the meeting.

Councilmember Ley made a motion, which was seconded by Councilmember Giese, to table action on Agenda Item No. 4 – Action to give notice to Nebraska Public Power District on intent to reduce contract power purchase until the next meeting. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, the Mayor declared the motion carried.

Councilmember Ley made a motion, which was seconded by Councilmember Sievers, to table action on Resolution 2013-126 accepting offer to purchase bulk power to be delivered from generating plants controlled by the Mid Continent Independent System Operator until the next meeting. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, the Mayor declared the motion carried.

Administrator Johnson stated the following Resolution would amend sections of the Personnel Manual as follows:

Sec. 14.65. Employee Exempt from Overtime

The following employee position classifications are exempt from overtime:

<u>POSITION CLASSIFICATION</u>	<u>CATEGORY OF EXEMPTION</u>
City Administrator	Executive
City Clerk	Executive
City Treasurer Finance Director	Executive
Chief Inspector/Planner	Executive
Chief of Police	Executive
Coordinator of Senior Citizens Center Sr. Citizens Center Coordinator	Executive
Director of Recreation-Leisure Services Recreation Services Director	Executive

~~Librarian~~ **Library Director**
~~Police Lieutenant~~
Superintendent of Electric Production
Superintendent of Public Works and Utilities

Executive
Executive
Executive
Executive

Sec. 14.100. Employee Benefits. (Amended by Res. 2008-50, 6/3/08).

In order to remain a competitive and equitable employer and to comply with applicable laws, the City offers a total compensation plan consisting not only of pay but also of substantial employee benefits. The Personnel Officer shall make information available concerning current benefits, some of which may be provided at an employee's option, in whole or in part at his or her expense, and /or only to certain categories of employees. It is the responsibility of the employee to notify the personnel office and the plan administrators of changes in the employee status, change in beneficiaries, marriage, additions to households, etc.

The following are the principal employee benefits which are offered prorata on the basis of a 40 hour week to all regular, full-time employees ~~hired to work 35 hours or more a week~~ after completing necessary waiting periods:

(a) Health and Major Medical Insurance:

PPO program with a maximum major medical expense benefit of \$2,000,000. Deductibles are ~~\$350~~ **\$1,000** for single and ~~\$700~~ **\$2,000** for family coverage in the PPO. The employer is self-insuring (80/20) a ~~\$5,000~~ **\$3,200** deductible for single and a ~~\$10,000~~ **\$6,400** deductible for family after meeting either one or two ~~\$350~~ **\$1,000** deductibles. An eligible employee qualifies on the first day of the month following 30 days of continuous employment. The City pays 97.5% of the premium for single employee; 90% for family coverage. The employee pays 2.5% of the premium for single coverage; 10% for family coverage. **Beginning January 1, 2015, city employee's spouses that are employed elsewhere and are eligible to participate in group health plan coverage where they are employed are not eligible to participate in the City of Wayne Group Health Insurance Plan.**

As an incentive for the employee and family to reduce the deductible to **\$500** for single and **\$1,000** for family coverage in the PPO, the following must be met:

- Employee must be a non-tobacco user. The City reserves the right to verify this by nicotine blood test; and
- Employee and spouse must have annual physical as provided in the plan.

The Employer will self-insure vision benefits as follows:

Vision: \$10 co-pay per exam
30% discount for eyeglasses at member facilities

15% discount for contacts

\$100 for Safety Glasses

~~Any permanent part-time employee working 30 hours or more per week is eligible to participate in the health insurance plan by having 100% of the premium deducted through payroll deduction on a bi-weekly basis.~~

(b) Life Insurance:

The City pays for group life insurance. The amount of insurance generally equals one times (1x) annual salary to the next highest \$1,000.

(c) Disability Insurance:

A tailored program of coverage paid by the City for short term disability for up to 52 weeks of weekly benefit starting after a 30 day period, and long term disability with a monthly benefit starting after twelve months of short term disability. The plan generally pays employees 60% of their gross pay subject to certain maximums for qualifying conditions.

(d) Retirement:

The City of Wayne provides a deferred compensation retirement savings plan to eligible employees and a 401(a) Money Purchase Plan. An eligible full-time employee may participate in the retirement plan from their date of hire. However, the City will start contributions after one (1) year of employment and upon finishing probationary period for eligible employees. At that time, the employee must contribute 1% of their annual wage but not more than 19%. The City will contribute 6% of their annual base salary to the 401(a) Money Purchase Plan.

An eligible regular part-time employee working 30 or more hours per week may participate with unmatched contributions in the retirement plan from their date of hire.

According to State Statute and Civil Service requirements, sworn police officers receive pension benefits immediately at a rate of ~~6%~~ **6.5%** employee, ~~6%~~ **6.5%** employer. The deferred compensation retirement savings plan may be used by sworn police officers, as well; however, the City will not match any employee contributions. The sworn police officers shall be fully vested in the retirement plan upon completion of seven years of employment with the City.

(e) Flexible Employee Benefit Plan:

The Flex Plus Plan was developed to allow eligible employees to use before-tax earnings to purchase benefits under the Plan; examples of

flexible spending account benefits include child care, unreimbursed medical expenses, health and accident insurance premium, etc.; Federal, State and Social Security taxes do not apply to these benefits.

An employee may participate in the Plan as of the first day of the month after completing the first day of employment. Prior to the date of being eligible to participate in the Plan, an employee is required to fill out an election form.

- (f) Paid holidays, personal days, and leave for vacation, illness or other designated purposes.
- (g) **Educational Scholarships for Full-Time Employees**

Providing that scholarship funds for this program are budgeted and available, any employee regularly scheduled to work 40 hours per week or more is eligible to apply for up to \$150 in scholarship funds per calendar year for tuition and/or books for an approved trade or educational course related to his or her job description at an approved two or four-year degree institution. The course, the educational institution, and the application must be pre-approved by the department head.

Discussion primarily took place regarding the proposed staff recommendation of requiring employee spouses to go on their employer's health insurance plan if the same is so provided. There are a lot of changes taking place in group health plans, and one of the things being suggested to cities by their insurance agents is to insure the employees, and if the spouses have options at their jobs, to have them get their health insurance through their employer. Presently there are 17 employees with spouses that have health insurance options at their places of employment; thirteen of which are on our plan at this time.

Councilmember Sievers questioned why the Council had to make a decision for 2015 now. Administrator Johnson responded because there are different renewal periods, this would allow the employees time to get on different plans throughout the year.

Mayor Chamberlain stated this isn't something we have to do, but by not doing it, what will end up changing is the premium amounts that employees pay every month.

It was noted that the employee's portion of the premium per pay period for family is \$37.40 and for employee/child is \$18.25.

City employee Lowell Heggemeyer noted if this change is approved, he would then be required to meet three deductibles instead of two. At this time, his wife receives a stipend for not taking the health insurance at her place of employment.

Administrator Johnson stated one of his concerns is other people paying their employees to come onto the City's group health plan. Is it the taxpayers' job of Wayne to defend the plan that the Heggemeyers have right now?

Mayor Chamberlain stated another option would be that each employee receives the single premium as a benefit, which would be an equal benefit to all.

Councilmember Sievers then questioned if employees who are over the age of 65 would be required to go on Medicare then. She would prefer the amount employees pay increase rather than requiring spouses to take insurance coverage through their place of employment.

Mayor Chamberlain thought this is a change that is going to be a standard in the industry – if you have insurance offered at your employment, you will have to take it. While he doesn't think the City has to be there until they tell us we have to be there, he thought the Council still needed to look at it and figure out how to make it fiscally responsible for the taxpayers of Wayne.

Councilmember Eischeid noted he had spoken with the Heggemeyers and another city employee, and pretty much everyone was in agreement that the premiums that the employees pay are dirt cheap. He thought a medium ground could be reached to raise the premiums up close to what everyone else is paying in their professions.

Garry Poutre, Superintendent of Public Works & Utilities, spoke and shared some past history on the health insurance benefit.

Councilmember Sievers suggested everyone, whether single or family, should pay the same share of the premiums.

Joel Hansen responded that life is about choices, and he hopes there is not the idea, because he made the choice to be single, that he should now pay more to help cover the costs for the families that are employed by the city. It sounds like there is a proposal that he should take less so that another employee that made a different life choice can get more.

Mayor Chamberlain stated that is why the 60/40 percentage across the board does not work. He would recommend providing the same premium (single) for each employee, and if the employee wanted to insure the remainder of his/her family, they would pay the difference. That makes it fair to each and every person across the board.

The decision the Council needs to make this evening is whether or not to keep the spouses on the City's group health plan. The other proposed changes being discussed can be determined at a later time once comparisons are provided to the Council.

Councilmember Sievers introduced Resolution 2013-130, and moved for its approval subject to deleting the following sentence in Section 14.100 Employee Benefits subsection (a): Beginning January 1, 2015, city employee's spouses that are employed elsewhere and are eligible to participate in group health plan coverage where they are employed are not eligible to participate in the City of Wayne Group Health Insurance Plan. Councilmember Eischeid seconded the motion.

RESOLUTION NO. 2013-130

A RESOLUTION AMENDING SECTION 14.65 EMPLOYEE EXEMPT FROM OVERTIME AND SECTION 14.100 EMPLOYEE BENEFITS OF THE CITY OF WAYNE PERSONNEL MANUAL.

Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, the Mayor declared the motion carried.

Councilmember Sievers made a motion, which was seconded by Councilmember Giese, to adjourn the meeting. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, the Mayor declared the motion carried and the meeting adjourned at 8:35 p.m.

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CLAIMS LISTING DECEMBER 17, 2013

AMERITAS LIFE INSURANCE	POLICE RETIREMENT	2,292.20
APPEARA	MAT SERVICE	27.86
BAKER & TAYLOR BOOKS	BOOKS	1,242.00
BANK FIRST	FRATERNAL ORDER OF POLICE DUES	120.00
BARONE SECURITY SYSTEMS	FIRE INSPECTION/SPRINKLER MONITORING	138.00
BIG T ENTERPRISES, INC	BATTERY	108.95
BMI	RADIO LICENSE FEE	294.30
BOARD OF EXAMINERS	SUPERINTENDENT FEE RENEWAL	10.00
BSN SPORTS, INC	MAT TAPE	52.61
CITY EMPLOYEE	HEALTH REIMBURSEMENT	125.66
CITY EMPLOYEE	HEALTH REIMBURSEMENT	152.33
CHARTWELLS	SENIOR CITIZEN MEALS	5,657.42
CHILD SUPPORT	PAYROLL DEDUCTION	100.00
CHILDREN'S SAFETY PUB.	SAFETY BOOKLET	150.00
CITY OF WAYNE	AUDITORIUM DEPOSIT REFUND	150.00
CITY OF WAYNE	PAYROLL	61,272.58
CITY OF WAYNE	UTILITY REFUNDS	805.81
CIVICPLUS	WEBSITE BUTTONS	400.00
COMMUNITY HEALTH	PAYROLL DONATIONS	4.00
DAKOTA BUSINESS SYSTEMS	LIBRARY COPIER LEASE	209.00
DAVE'S DRY CLEANING	POLICE UNIFORM CLEANING	111.00
DE LAGE LANDEN FINANCIAL	COPIER EQUIPMENT LEASE	394.00
CITY EMPLOYEE	HEALTH REIMBURSEMENT	61.30
DUTTON-LAINSON COMPANY	CURRENT TRANSFORMER/ENCLOSURE/LUGS	1,696.61
EASYPERMIT POSTAGE	POSTAGE	1,730.12
CITY EMPLOYEE	HEALTH REIMBURSEMENT	603.91
ED. M FELD EQUIPMENT CO	PIPE INLET	741.00
EXHAUST PROS	TIRE REPAIR	16.00
FASTENAL CO	LOCK WASHER/BOLTS	8.20
FLOOR MAINTENANCE	TOILET PAPER/LINERS/PLATES	127.25
GEMPLER'S INC	OIL ABSORBING PADS	133.65
GLEN'S AUTO BODY	DOOR HANDLE REPAIR	103.96
HD SUPPLY WATERWORKS, LTD	WATER METER	583.73
HR SPECIALIST	EMPLOYMENT LAW SUBSCRIPTION	199.00
ICMA RETIREMENT TRUST-457	ICMA RETIREMENT	6,372.87
INGRAM BOOK COMPANY	BOOKS	1,145.47
IPMA	POLICE EXAMS	138.50
INTERSTATE ALL BATTERY	BATTERY	263.70
IRS	FEDERAL WITHHOLDING	23,736.74
JOHN'S WELDING AND TOOL	BORE PVC PIPE	30.00
CITY EMPLOYEE	HEALTH REIMBURSEMENT	928.17
KRIZ-DAVIS COMPANY	METER MODULE/CONNECTORS/LED FIXTURE	1,330.72
KTCH AM/FM RADIO	RADIO ADS	1,552.78
CITY EMPLOYEE	HEALTH REIMBURSEMENT	167.31
MATT PARROTT AND SONS CO	W-2/1099 FORMS	284.37

CITY EMPLOYEE	HEALTH REIMBURSEMENT	4.93
MICROFILM IMAGING SYSTEMS	TONER	60.17
MIDWEST LABORATORIES, INC	BOD TESTING	703.95
N.E. NEB ECONOMIC DEV DIS	CIS GRANT	674.96
NE AIR FILTER	AIR FILTER	47.04
NE DEPT OF REVENUE	STATE WITHHOLDING	3,413.04
NE ECONOMIC DEVELOP ASSN	DUES-N BRADEN/L JOHNSON	200.00
NE EMERGENCY SERVICE	2014 MEMBERSHIP DUES	60.00
NE SAFETY COUNCIL	SAFETY VIDEO SHIPPING CHARGES	8.38
NEBR PUBLIC POWER DIST	ELECTRICITY	257,157.97
NORTHEAST NE PUBLIC POWER	NNPPD CONSULTANT	5,375.68
NORTHEAST NE PUBLIC POWER	WHEELING CHARGES	13,185.52
OLSSON ASSOCIATES	CHIEF'S WAY SANITARY SEWER	4,032.09
PAC N SAVE	AFTERSCHOOL SUPPLIES	6.56
CITY EMPLOYEE	HEALTH REIMBURSEMENT	27.79
PRESTO X COMPANY	PEST CONTROL	48.60
QUALITY 1 GRAPHICS	SIGN-FLYING SAND	25.00
RANDOM HOUSE	CD'S	54.00
ROBERT WOehler & SONS	CHIEF'S WAY SANITARY SEWER	22,637.32
SAND CREEK POST & BEAM	LB 840 LOAN	193,900.00
SHOPKO	NUTS-SC/TISSUE/TAPE/DUSTERS	96.63
SPARKLING KLEAN	JANITORIAL SERVICES/SUPPLIES	1,507.48
STATE NEBRASKA BANK	ACH FEES	59.36
STATE NATIONAL BANK	SERIES 2011 INTEREST	5,907.17
STEVE LAMOUREUX	LIBRARY SERVICE CALL	60.00
TOM'S BODY & PAINT SHOP	SEAT BELT REPAIR	276.90
CITY EMPLOYEE	HEALTH REIMBURSEMENT	112.84
TYLER TECHNOLOGIES	UTILITY ONLINE/WEBSITE HOSTING FEE	200.00
US BANK	POSTAGE/MEALS/CHAIR/DUES ETC	3,715.89
WAYNE AUTO PARTS	BULBS/CLAMPS/TAPE/JIMMY BAR	260.50
WAYNE COMMUNITY SCHOOLS	PARKING TICKETS	6,613.75
WAYNE COUNTY COURT	BOND	300.00
WAYNE HERALD	ADS AND NOTICES	1,356.58
CITY EMPLOYEE	HEALTH REIMBURSEMENT	237.42
WESCO DISTRIBUTION INC	TAPE/SPLICE/PHOTOCELL/LED LIGHT	1,198.40
WESTERN AREA POWER ADMIN	ELECTRICITY	32,051.27
ZACH OIL COMPANY	GASOLINE	4,319.92

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PIEPER & MILLER

ATTORNEYS AT LAW
218 Main Street, P.O. Box 427
Wayne, Nebraska 68787
Phone: (402) 375-3585/Fax: (402) 375-3048

Michael E. Pieper
Amy K. Miller
Eric W. Knutson

E-Mail: waynelaw@huntel.net

December 13, 2013

Mr. John McClure
Attorney at Law
Nebraska Public Power District
1414 15th Street
P.O. Box 499
Columbus, NE 68602-0499

Dear John:

As you know, the City of Wayne (City) has been requesting an interpretation of the Wholesale Power Contract (Contract) entered into between Nebraska Public Power District (NPPD) and the City, on or about January 1, 2002. Specifically, the City has, on several occasions, requested an interpretation of Article II in the Contract, regarding the ability of the City, as a customer, to limit or reduce its purchase of Demand and Energy from NPPD. After several phone conversations with you, there is one point on which we have both agreed: this contract was poorly written, and is unclear as to how to calculate the maximum reduction of Demand and Energy the City can exercise. What is clear is that notifications to reduce by 30% or less require a three year notice, and notifications to reduce by more than 90% require a five year notice.

Please consider this letter the City's official notice to limit or reduce its purchase of Demand and Energy from NPPD, commencing January 1, 2017, by the maximum amount permitted by the Contract, and continuing through the duration of the contract, or December 31, 2021. The "maximum amount," as interpreted by the City, allows for a 30% reduction in 2017, with an additional 10% reduction each year thereafter (e.g.: 2017 -30%; 2018 - 40%; 2019 - 50%; etc.). If, for some reason, this interpretation is not upheld, or an alternative interpretation is agreed upon by the City and NPPD, it does not change the City's intent to reduce its purchase of Demand and Energy by the **maximum amount** permitted by the Contract, whatever that may be.

Furthermore, this letter is to serve as official notice pursuant to Article I(18)(B) of the Contract, that the City is terminating the Contract with NPPD, in its entirety, as of December 31, 2021.

Sincerely,
PIEPER & MILLER

Amy K. Miller,
City Attorney for the City of Wayne, Nebraska

PIEPER & MILLER

ATTORNEYS AT LAW
218 Main Street, P.O. Box 427
Wayne, Nebraska 68787
Phone: (402) 375-3585/Fax: (402) 375-3048

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Please consider this letter the City's official notice to limit or reduce its purchase of Demand and Energy from NPPD, commencing January 1, 2019, by the maximum amount permitted by the Contract, and continuing through the duration of the contract, or December 31, 2021. The "maximum amount," as interpreted by the City, allows for a 90% reduction commencing January 1, 2019. If, for some reason, this interpretation is not upheld, or an alternative interpretation is agreed upon by the City and NPPD, it does not change the City's intent to reduce its purchase of Demand and Energy by the **maximum amount** permitted by the Contract, whatever that may be.

Furthermore, this letter is to serve as official notice pursuant to Article I(18)(B) of the Contract, that the City is terminating the Contract with NPPD, in its entirety, as of December 31, 2021.

Sincerely,
PIEPER & MILLER

Amy K. Miller,
City Attorney for the City of Wayne, Nebraska

PIEPER & MILLER

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December 13, 2013

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Attorney at Law
Nebraska Public Power District
1414 15th Street
P.O. Box 499
Columbus, NE 68602-0499

Dear John:

As you know, the City of Wayne (City) has been requesting an interpretation of the Wholesale Power Contract (Contract) entered into between Nebraska Public Power District (NPPD) and the City, on or about January 1, 2002. Specifically, the City has, on several occasions, requested an interpretation of Article II in the Contract, regarding the ability of the City, as a customer, to limit or reduce its purchase of Demand and Energy from NPPD. After several phone conversations with you, there is one point on which we have both agreed: this contract was poorly written, and is unclear as to how to calculate the maximum reduction of Demand and Energy the City can exercise. What *is* clear is that notifications to reduce by 30% or less require a three year notice, and notifications to reduce by more than 90% require a five year notice.

Please consider this letter the City's official notice to limit or reduce its purchase of Demand and Energy from NPPD, commencing January 1, 2017, by the maximum amount permitted by the Contract, and continuing through the duration of the contract, or December 31, 2021. The "maximum amount," as interpreted by the City, allows for a 30% reduction in 2017, which will continue until January 1, 2019, at which time the reduction will increase to 90%. This fulfills the City's notice requirements, and is easily supported by the Contract. If, for some reason, this interpretation is not upheld, or an alternative interpretation is agreed upon by the City and NPPD prior to January 1, 2017, it does not change the City's intent to reduce its purchase of Demand and Energy by the **maximum amount** permitted by the Contract, whatever that may be.

Furthermore, this letter is to serve as official notice pursuant to Article I(18)(B) of the Contract, that the City is terminating the Contract with NPPD, in its entirety, as of December 31, 2021.

Sincerely,
PIEPER & MILLER

Amy K. Miller
City Attorney for the City of Wayne, Nebraska

December 8, 2013

Mr. Lowell Johnson
City Administrator
306 Pearl Street
Wayne, Nebraska 68787

Dear Lowell,

My recommendation is that the City of Wayne should sign an agreement with Big Rivers Electric Corporation. I have attached the spreadsheet showing the potential savings of signing with Big Rivers Electric Corporation versus Nebraska Public Power District. The choice that you need to make is to either provide a 3-year notice to NPPD and reduce by 30%, 30% and 90% for the years 2017 -2019 (this is Amy Miller's strategy.), or if you want to avoid a bunch of legal expense then you should give the 5 year notice and reduce 90% of your purchases from NPPD. Either one of these options will produce approximately \$6 Million in savings for the city. The savings are a sure thing, and you should lock them up.

Wayne has a very generating facility but your plans are not to run the generation. Therefore, the value of your generation decreases and you are now required to purchase energy hedges from the market. I have tried to obtain pricing for energy hedges in 2019 and beyond, and I have not been successful, which tells me that you are truly speculating on the energy market to remain low well into the future. By relying on 100% of market pricing and not having the ability to use your capacity until 2019 then you are gambling that the savings are going to be there. I have seen companies go bankrupt by using such a strategy.

Take the savings by signing with Big Rivers Electric Corporation, and you will be sleeping well at night when prices begin to spike again.

Sincerely,

Todd Hegwer

Projected Impact of NPPD Wholesale Contract Opt-Out - Wayne, NE
Case Assuming 3 Year Notice and Maximum Reduction

Base Case		Estimated Cost with Opt-Out Provision						BREC @ 2%/yr			
Year	Capacity Lease (\$)	Firm Cost (\$)	Net Cost (\$)	Firm Reduct.	BREC (\$/kWh)	BREC (\$/kWh)	Firm Purchase (\$/kWh)	Firm Cost (\$)	Capacity Lease (\$)	Net Cost (\$)	Cost Diff (\$)
Fiscal >	1.50%	-4.80%									
2013	57,754,000	0.054	3,117,561		\$ 0.047	-	57,754,000	3,117,561	(640,000)	2,477,561	-
2014	58,620,000	0.054	3,164,308		\$ 0.047	-	58,620,000	3,164,308	(640,000)	2,524,308	-
2015	59,499,000	0.057	3,365,920		\$ 0.049	-	59,499,000	3,365,920	(640,000)	2,725,920	-
2016	60,391,000	0.059	3,580,368		\$ 0.052	-	60,391,000	3,580,368	(640,000)	2,940,368	-
2017	61,297,000	0.062	3,808,517	30%	\$ 0.054	994,023	42,707,900	3,665,963	(640,000)	2,940,368	149,468
2018	62,216,000	0.065	4,051,167	30%	\$ 0.057	1,037,354	43,551,200	3,835,817	(640,000)	3,541,331	133,165
2019	63,149,000	0.068	4,309,290	90%	\$ 0.059	3,374,174	6,449,600	4,309,290	(640,000)	3,449,287	(230,004)
2020	64,096,000	0.072	4,583,862	90%	\$ 0.062	3,817,839	6,409,600	4,583,862	(640,000)	3,449,287	(230,004)
2021	65,057,000	0.075	4,875,912	100%	\$ 0.065	4,312,357	6,505,700	4,875,912	(640,000)	3,449,287	(230,004)
2022	66,033,000	0.079	5,186,617	100%	\$ 0.068	4,799,849	-	5,186,617	(640,000)	4,134,761	(1,051,856)
2023	67,023,000	0.082	5,517,067	100%	\$ 0.072	5,105,669	-	5,517,067	(640,000)	4,414,701	(1,102,366)
2024	68,028,000	0.086	5,868,585	100%	\$ 0.075	5,430,969	-	5,868,585	(640,000)	4,712,819	(1,155,767)
2025	69,048,000	0.090	6,242,493	100%	\$ 0.079	5,777,054	-	6,242,493	(640,000)	5,030,262	(1,212,232)
2026	70,084,000	0.095	6,640,292	100%	\$ 0.082	5,777,054	-	6,640,292	(640,000)	5,368,332	(1,271,960)
Totals	892,295,000		64,311,960 (\$ 760,000)			38,458,452	341,953,300	20,106,842	(6,304,805)	52,260,490	(6,291,470)

Projected Impact of NPPD Wholesale Contract Opt-Out - Wayne, NE
Case Assuming 3 Year Notice and Minimum Reduction

Base Case		Estimated Cost with Opt-Out Provision						BREC @ 2%/yr			
Year	Capacity Lease (\$)	Firm Cost (\$)	Net Cost (\$)	Firm Reduct.	BREC (\$/kWh)	BREC (\$/kWh)	Firm Purchase (\$/kWh)	Firm Cost (\$)	Capacity Lease (\$)	Net Cost (\$)	Cost Diff (\$)
Fiscal >	1.50%	-4.80%									
2013	57,754,000	0.054	3,117,561		\$ 0.047	-	57,754,000	3,117,561	(640,000)	2,477,561	-
2014	58,620,000	0.054	3,164,308		\$ 0.047	-	58,620,000	3,164,308	(640,000)	2,524,308	-
2015	59,499,000	0.057	3,365,920		\$ 0.049	-	59,499,000	3,365,920	(640,000)	2,725,920	-
2016	60,391,000	0.059	3,580,368		\$ 0.052	-	60,391,000	3,580,368	(640,000)	2,940,368	-
2017	61,297,000	0.062	3,808,517	30%	\$ 0.054	994,023	42,707,900	3,665,963	(640,000)	2,940,368	149,468
2018	62,216,000	0.065	4,051,167	40%	\$ 0.057	1,409,306	37,234,600	3,847,700	(640,000)	3,317,985	80,999
2019	63,149,000	0.068	4,309,290	80%	\$ 0.059	1,874,541	31,574,500	2,134,645	(640,000)	3,491,666	1,173,376
2020	64,096,000	0.072	4,583,862	60%	\$ 0.062	2,369,431	25,658,400	1,833,545	(640,000)	3,693,287	(80,474)
2021	65,057,000	0.075	4,875,912	70%	\$ 0.065	2,969,431	19,517,100	1,462,774	(640,000)	4,062,013	(173,900)
2022	66,033,000	0.079	5,186,617	100%	\$ 0.068	4,312,357	-	5,186,617	(640,000)	4,134,761	(1,051,856)
2023	67,023,000	0.082	5,517,067	100%	\$ 0.072	4,799,849	-	5,517,067	(640,000)	4,414,701	(1,102,366)
2024	68,028,000	0.086	5,868,585	100%	\$ 0.075	5,105,669	-	5,868,585	(640,000)	4,712,819	(1,155,767)
2025	69,048,000	0.090	6,242,493	100%	\$ 0.079	5,430,969	-	6,242,493	(640,000)	5,030,262	(1,212,232)
2026	70,084,000	0.095	6,640,292	100%	\$ 0.082	5,777,054	-	6,640,292	(640,000)	5,368,332	(1,271,960)
Totals	892,295,000		64,311,960 (\$ 760,000)			35,566,474	393,231,500	23,775,783	(6,304,805)	52,737,452	(6,291,470)

Projected Impact of NPPD Wholesale Contract Opt-Out - Wayne, NE
Case Assuming 5 Year Notice and Maximum Reduction

Base Case		Estimated Cost with Opt-Out Provision						BREC @ 2%/yr			
Year	Capacity Lease (\$)	Firm Cost (\$)	Net Cost (\$)	Firm Reduct.	BREC (\$/kWh)	BREC (\$/kWh)	Firm Purchase (\$/kWh)	Firm Cost (\$)	Capacity Lease (\$)	Net Cost (\$)	Cost Diff (\$)
Fiscal >	1.50%	4.80%									
2013	57,754,000	0.054	3,117,561		\$ 0.049	-	57,754,000	3,117,561	(640,000)	2,477,561	-
2014	58,620,000	0.054	3,164,308		\$ 0.047	-	58,620,000	3,164,308	(640,000)	2,524,308	-
2015	59,499,000	0.057	3,365,920		\$ 0.049	-	59,499,000	3,365,920	(640,000)	2,725,920	-
2016	60,391,000	0.059	3,580,368		\$ 0.052	-	60,391,000	3,580,368	(640,000)	2,940,368	-
2017	61,297,000	0.062	3,808,517	0%	\$ 0.054	-	61,297,000	3,808,517	(640,000)	3,168,517	-
2018	62,216,000	0.065	4,051,167	90%	\$ 0.057	3,374,174	6,216,000	4,031,167	(640,000)	3,411,167	(230,004)
2019	63,149,000	0.068	4,309,290	90%	\$ 0.059	3,817,839	6,314,900	4,309,290	(640,000)	3,449,287	(259,245)
2020	64,096,000	0.072	4,583,862	90%	\$ 0.062	4,312,357	6,409,600	4,583,862	(640,000)	3,684,617	(806,674)
2021	65,057,000	0.075	4,875,912	90%	\$ 0.065	4,799,849	6,505,700	4,875,912	(640,000)	3,935,239	(806,674)
2022	66,033,000	0.079	5,186,617	100%	\$ 0.068	5,186,617	-	5,186,617	(640,000)	4,134,761	(1,051,856)
2023	67,023,000	0.082	5,517,067	100%	\$ 0.072	4,799,849	-	5,517,067	(640,000)	4,414,701	(1,102,366)
2024	68,028,000	0.086	5,868,585	100%	\$ 0.075	5,105,669	-	5,868,585	(640,000)	4,712,819	(1,155,767)
2025	69,048,000	0.090	6,242,493	100%	\$ 0.079	5,430,969	-	6,242,493	(640,000)	5,030,262	(1,212,232)
2026	70,084,000	0.095	6,640,292	100%	\$ 0.082	5,777,054	-	6,640,292	(640,000)	5,368,332	(1,271,960)
Totals	892,295,000		64,311,960 (\$ 760,000)			36,407,075	379,007,200	22,464,747	(6,304,805)	51,977,858	(6,291,470)

December 8, 2013

Mayor and City Council
C/o Mr. Lowell Johnson, City Administrator
PO Box 8, 306 Pearl Street
Wayne, NE 68787

Re: Recommendation on Reduction Provision Alternatives
Project: Wayne Electric T/E # 8510

Honorable Mayor and City Council,

As the Council is no doubt aware, the City is currently considering both the impact of a reduction in firm power requirements/obligation from its present supplier (NPPD) and the alternate sources of supply for the amount of reduction the Wholesale Power Contract defines and permits. It is doing so both separately and in conjunction with a group of municipalities. This recommendation is directed at, and only addresses, the City of Wayne.

Summary

This letter is intended to document and recommend changes that are provided for in both your Wholesale Power Contract and Capacity Purchase Agreements with NPPD. Although NPPD is somewhat uncertain in their own interpretations of these documents, it is generally understood that the City has the option to reduce its obligation to buy firm power from NPPD, beginning in either 2017 or 2019, depending on notice given. The City would then buy the non-NPPD power from another provider if they are estimated to be more economical and equally reliable.

Although several cases/scenarios were examined, two are considered in this letter: (1) Buy economy energy on the market, using the City power plant as firm capacity, or (2) Buy firm power from Big River Electric Cooperative (BREC) and lease the capacity to them. *It should be noted that the City is in the somewhat unique position of having its own power plant, capable of supporting the full City load if required – it is this capability that makes option (1) (and the accompanying savings) possible.*

Both cases are estimated to be notably more economical than continuing to purchase total requirements from NPPD, particularly given their uncertain pricing outlook and what may be a very restrictive (new) contract proposition in the case of renewal or continuation. However, *based on the tables (1.1 – 1.4) and estimates that are attached, there is a substantial enough difference between the cases to warrant recommendation of option (1) above.* That is to say the City would give notice to NPPD (by December 31, 2013) of their intent to reduce their NPPD requirements by 90%, beginning in 2019, and commence to purchase that energy on the open market through the end of the contract (2021), and total requirements thereafter. A brief discussion/explanation follows.

Michael H. Towne

1312 Churchill Way, Sherman, TX 75092, 402-304-8359, towncmh@gmail.com

Tables 1.1 – 1.4 (General)

These tables are hopefully straightforward/self-explanatory, but in general list the year in the far left column, the variables noted in each column heading and the net cost difference (from estimated NPPD) in the last column (far right). The projected evaluation period was extended to five years after the end of the NPPD contract for reference.

Usage is assumed to start at 2013 purchase levels and increase by about 1.5% per year (load growth). The initial NPPD firm price (6.3 cents/kWh) is as stated in their study estimate documents provided to the City, and is for reference and to provide a base. Cost escalation shown (4.8%/year) is the sum of historic increases and the amount necessary to fund the City portion of anticipated bond issues. In the case of the economy purchases evaluation, the escalation (4%/year) is assumed to be on the conservative side of both historic and projected increases over the period shown. The initial economy energy price (4.5 cents/kWh) is comprised of 3.5 cents/kWh (commodity) and 1.0 cents/kWh firm wheeling.

Tables 1.1 – 1.2

Both tables have similar assumptions listed above, but Table 1.1 assumes the City gives the required five (5) year notice to reduce its NPPD obligation by greater than 30% (a 90% reduction is the maximum allowed during the contract term) beginning in 2019. Table 1.2 reflects the maximum reductions permitted with a three (3) year notice, again with a 90% maximum during the contract term. In both cases, you will note capacity lease payments are assumed to continue up to, but not beyond, the actual reduction date.

In both tables, it will be seen that the projected savings over the 14 year period are substantial, with the majority occurring after the NPPD contract ends (as would half the capacity lease payments (a credit)). Depending on when the City chooses to implement the reductions, the net savings would be in the range of \$11 – 12M over the period shown, or about 17 – 18%.

Tables 1.3 – 1.4

These tables are similar to the above, but reflect terms as specified in the BREC proposal. Their proposal is for firm power and ties their contract price directly to NPPD Blend rates (a percent discount applied to the rate). The same NPPD capacity lease payment schedule is assumed as above, but BREC is assumed to lease that capacity after the initial purchases reduction takes place.

The projected savings over the period shown range from \$3.8 – 4.4M, or approximately 6%, with Table 1.4 actually showing some increases in the early years because the rate is not sufficient to offset the loss in capacity lease payments and increased fuel costs.

Michael H. Towne

1312 Churchill Way, Sherman, TX 75092, 402-304-8359, townemh@gmail.com

Alternative Cases

Although the tables are not included in this document, staff had requested two alternate cases be run for reference that reflected the impact of economy energy escalating at 6% and 8%, rather than the 4% in Tables 1.1 and 1.2, while keeping the NPPD escalation at 4.8%. While it may not be readily apparent, estimated savings would decrease over time since the increased escalation (above 4.8%) would eventually overtake any initial pricing differences.

At a 6% escalation, the economy energy purchase option would yield approximately the same or slightly more savings as the BREC proposal. At 8%, economy purchases would not be economically feasible. (the break even is about 7.15%).

Given the caveats that must necessarily accompany estimates such as these, the point should perhaps be made that it is unlikely the economy purchases market would see increases (regulatory or other) that didn't equally affect NPPD or BREC (and which would be passed on via a PCA, 'basis', etc.).

Conclusion

As the Council is undoubtedly aware, your decision will likely be a function of economics and/or perceived security in large part. The recommendation herein hopefully recognizes the merit in both possible cases evaluated, but seeks to further emphasize the singular position and leverage the City has in its power plant.

Hopefully, this has been of help, but please feel free to contact me with comments or questions.

Best Regards,

Mike Towne

Michael H. Towne

1312 Churchill Way, Sherman, TX 75092, 402-304-8359, townemh@gmail.com

City of Wayne
Total demand charges for
last two 12 month periods
are \$1.5 million & \$1.3 million

Energy Only Option

This option is purchased
Energy Only on open Mkt

Projected Impact of NPPD Wholesale Contract Opt-Out - Wayne, NE Case Assuming 5 Year Notice and Maximum Reduction (Pricing assumed at estimated market plus wheeling)

Base Case		Estimated Cost with Opt-Out Provision										Cost Diff (\$)			
Escal >	Purchases (kWh)	Firm (\$/kWh)	Firm Cost (\$)	Capacity Lease (\$)	Net Cost (\$)	Firm Reduct.	Econ. Purch (kWh)	Econ (\$/kWh)	Econ Cost (\$)	Firm Purch (kWh)	Firm Cost (\$)	Gen. Cost (\$)	Capacity Lease (\$)	Net Cost (\$)	Cost Diff (\$)
	1.50%	4.80%						4.00%							
2013	57,754,000	0.063	3,638,502	(640,000)	2,998,502		-	0.045	-	57,754,000	3,638,502	-	(640,000)	2,998,502	-
2014	58,620,000	0.066	3,870,327	(640,000)	3,230,327		-	0.047	-	58,620,000	3,870,327	-	(640,000)	3,230,327	-
2015	59,499,000	0.069	4,116,923	(640,000)	3,476,923		-	0.049	-	59,499,000	4,116,923	-	(640,000)	3,476,923	-
2016	60,391,000	0.073	4,379,219	(640,000)	3,739,219		-	0.051	-	60,391,000	4,379,219	-	(640,000)	3,739,219	-
2017	61,297,000	0.076	4,658,273	(640,000)	4,018,273		-	0.053	-	61,297,000	4,658,273	-	(640,000)	4,018,273	-
2018	62,216,000	0.080	4,955,061	(640,000)	4,315,061		-	0.055	-	62,216,000	4,955,061	-	(640,000)	4,315,061	-
2019	63,149,000	0.083	5,270,778	(640,000)	4,630,778	90%	56,834,100	0.057	3,236,097	6,314,900	527,078	164,640	-	3,927,815	(702,963)
2020	64,096,000	0.087	5,606,611	(640,000)	4,966,611	90%	57,686,400	0.059	3,416,012	6,409,600	560,661	171,157	-	4,147,830	(818,782)
2021	65,057,000	0.092	5,963,824	(640,000)	5,323,824	90%	58,551,300	0.062	3,605,917	6,505,700	596,382	178,017	-	4,380,317	(943,508)
2022	66,033,000	0.096	6,343,853	(320,000)	6,023,853	100%	66,033,000	0.064	4,229,350	-	-	185,220	-	4,414,570	(1,609,283)
2023	67,023,000	0.101	6,748,034	(320,000)	6,428,034	100%	67,023,000	0.067	4,464,469	-	-	192,766	-	4,657,235	(1,770,799)
2024	68,028,000	0.106	7,177,982	(320,000)	6,857,982	100%	68,028,000	0.069	4,712,669	-	-	200,312	-	4,912,981	(1,945,001)
2025	69,048,000	0.111	7,635,317	(320,000)	7,315,317	100%	69,048,000	0.072	4,974,663	-	-	208,201	-	5,182,864	(2,132,452)
2026	70,084,000	0.116	8,121,871	(320,000)	7,801,871	100%	70,084,000	0.075	5,251,276	-	-	216,433	-	5,467,709	(2,334,163)
Totals	892,295,000		78,486,575	(7,360,000)	71,126,575		513,287,800		33,890,452	379,007,200	27,302,426	1,516,746	(3,840,000)	58,869,624	(12,256,951)

TABLE 1.1

9-Dec-2013

Deligh schedules its own power daily

[Back to Top](#)

New Street Sweeper being bid for purchase

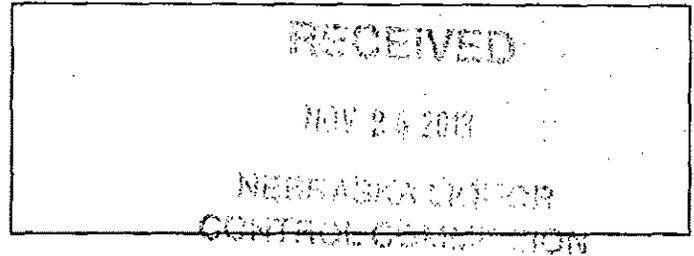


1998 Street Sweeper being sold or traded.



APPLICATION FOR LIQUOR LICENSE RETAIL

NEBRASKA LIQUOR CONTROL COMMISSION
301 CENTENNIAL MALL SOUTH
PO BOX 95046
LINCOLN, NE 68509-5046
PHONE: (402) 471-2571
FAX: (402) 471-2814
Website: www.lcc.ne.gov/



CLASS OF LICENSE FOR WHICH APPLICATION IS MADE AND FEES CHECK DESIRED CLASS

RETAIL LICENSE(S)

Application Fee \$400 (non refundable)

- A BEER, ON SALE ONLY
- B BEER, OFF SALE ONLY
- C BEER, WINE, DISTILLED SPIRITS, ON AND OFF SALE
- D BEER, WINE, DISTILLED SPIRITS, OFF SALE ONLY
- I BEER, WINE, DISTILLED SPIRITS, ON SALE ONLY
- AB BEER, ON AND OFF SALE
- AD BEER ON SALE ONLY, BEER, WINE, DISTILLED SPIRITS OFF SALE
- IB BEER, WINE, DISTILLED SPIRITS ON SALE, BEER OFF SALE ONLY
- ID BEER, WINE, DISTILLED SPIRITS ON AND OFF SALE

- Class K Catering license (requires catering application form 106) \$100.00

Additional fees will be assessed at city/village or county level when license is issued

Class C license term runs from November 1 – October 31
All other licenses run from May 1 – April 30
Catering license (K) expires same as underlying retail license

CHECK TYPE OF LICENSE FOR WHICH YOU ARE APPLYING

- Individual License (requires insert form 1)
- Partnership License (requires insert form 2)
- Corporate License (requires insert form 3a & 3c)
- Limited Liability Company (LLC) (requires form 3b & 3c)

NAME OF ATTORNEY OR FIRM ASSISTING WITH APPLICATION (if applicable) Commission will call this person with any questions we may have on this application

Name _____ Phone number: _____

Firm Name _____

PREMISE INFORMATION

Trade Name (doing business as) Godfather's Pizza

Street Address #1 106 South Main Street

Street Address #2 _____

City Wayne County Wayne #27 Zip Code 68787

Premise Telephone number 402-833-5077 E-mail calegiese@gmail.com

Is this location inside the city/village corporate limits: YES NO

city

Mailing address (where you want to receive mail from the Commission) _____

Name Gander Foods LLC.

Street Address #1 106 South Main Street

Street Address #2 _____

City Wayne State NE Zip Code 68787

**DESCRIPTION AND DIAGRAM OF THE STRUCTURE TO BE LICENSED
READ CAREFULLY**

In the space provided or on an attachment draw the area to be licensed. This should include storage areas, basement, outdoor area, sales areas and areas where consumption or sales of alcohol will take place. If only a portion of the building is to be covered by the license, you must still include dimensions (length x width) of the licensed area as well as the dimensions of the entire building. No blue prints please. Be sure to indicate the direction north and **number of floors** of the building.

****For on-premise consumption liquor licenses minimum standards must be met by providing at least two restrooms**

Length 30 feet

Width 140 feet

Is there a basement? Yes No

PROVIDE DIAGRAM OF AREA TO BE LICENSED BELOW OR ATTACH SEPARATE SHEET

All attached diagram

RECEIVED
NOV 26 2013
NEBRASKA LIQUOR CONTROL COMMISSION

APPLICANT INFORMATION

1. **READ CAREFULLY. ANSWER COMPLETELY AND ACCURATELY.**

Has anyone who is a party to this application, or their spouse, **EVER** been convicted of or plead guilty to any charge. Charge means any charge alleging a felony, misdemeanor, violation of a federal or state law; a violation of a local law, ordinance or resolution. List the nature of the charge, where the charge occurred and the year and month of the conviction or plea. Also list any charges pending at the time of this application. If more than one party, please list charges by each individual's name.

YES NO

If yes, please explain below or attach a separate page.

Name of Applicant	Date of Conviction (mm/yyyy)	Where Convicted (city & state)	Description of Charge	Disposition
Phillip M. Anderson	10/2009	Wayne, NE	Minor in possession of Alcohol	Completed Diversion
Phillip M. Anderson	08/2012	Omaha, NE	Selling Tobacco to a Minor	Fined
Cale A. Giese	07/2006	Wayne, NE	Minor in Consumption of Alcohol	Fined

2. Are you buying the business of a current retail liquor license?

YES NO

If yes, give name of business and liquor license number

Godfather's Pizza #093296

a) Submit a copy of the sales agreement

b) Include a list of alcohol being purchased, list the name brand, container size and how many

c) Submit a list of the furniture, fixtures and equipment

RECEIVED
110 liquor
being purchased
NOV 26 2013

3. Was this premise licensed as liquor licensed business within the last two (2) years?

YES NO

If yes, give name and license number

James Milliken #093296

NEBRASKA LIQUOR
CONTROL COMMISSION

4. Are you filing a temporary operating permit to operate during the application process?

YES NO

If yes:

a) Attach temporary operating permit (T.O.P.) (form 125)

b) T.O.P. will only be accepted at a location that currently holds a valid liquor license.

5. Are you borrowing any money from any source, include family or friends, to establish and/or operate the business?

YES NO

If yes, list the lender(s)

James Milliken, First National Bank and Trust Company

RECEIVED

MAY 15 2013

NEBRASKA CONTROL BOARD

6. Will any person or entity, other than applicant, be entitled to a share of the profits of this business?

YES NO

If yes, explain. (All involved persons must be disclosed on application)

No silent partners

7. Will any of the furniture, fixtures and equipment to be used in this business be owned by others?

YES NO

If yes, list such item(s) and the owner.

8. Is premise to be licensed within 150 feet of a church, school, hospital, home for the aged or indigent persons or for veterans, their wives, and children, or within 300 feet of a college or university campus?

YES NO

If yes, provide name and address of such institution and where it is located in relation to the premises (Neb. Rev. Stat. 53-177)(1)

9. Is anyone listed on this application a law enforcement officer?

YES NO

If yes, list the person, the law enforcement agency involved and the person's exact duties

10. List the primary bank and/or financial institution (branch if applicable) to be utilized by the business

a) List the individual(s) who will be authorized to write checks and/or withdrawals on accounts at this institution.

State National Bank and Trust Company (Wayne, NE) / Phillip M. Anderson, Cale Giese

11. List all past and present liquor licenses held in Nebraska or any other state by any person named in this application. Include license holder name, location of license and license number. Also list reason for termination of any license(s) previously held.

None

12. List the alcohol related training and/or experience (when and where) of the person(s) making application. **Those persons required are listed as followed:**

- a) Individual, applicant only (no spouse)
- b) Partnership, all partners (no spouses)
- c) Corporation, manager only (no spouse) as listed on form 3c
- d) Limited Liability Company, manager only (no spouse) as listed on form 3c

NOV 2 2013
NEBRASKA LIQUOR
CONTROL COMMISSION

*listed
as comp
manager*

Applicant Name	Date Trained (mm/yyyy)	Name of program where trained (name, city)
Cale Giese / Bartender	2011/2012	Geno's Steakhouse Wayne, NE
→ Cale Giese / Manager	2011/2012	Godfathers Pizza Wayne, NE
Phillip M. Anderson / Manager	2010-2013	Godfathers Pizza Wayne, NE

13. If the property for which this license is sought is owned, submit a copy of the deed, or proof of ownership. If leased, submit a copy of the lease covering the entire license year. **Documents must show title or lease held in name of applicant as owner or lessee in the individual(s) or corporate name for which the application is being filed.**

- Lease: expiration date _____
- Deed
- Purchase Agreement

14. When do you intend to open for business? December 2, 2013

15. What will be the main nature of business? Selling Pizza

16. What are the anticipated hours of operation? 10am-9pm Sun.-Thurs. 10am-10pm Fri. & Sat.

17. List the principal residence(s) for the past 10 years for all persons required to sign, including spouses.

RESIDENCES FOR THE PAST 10 YEARS, APPLICANT AND SPOUSE MUST COMPLETE					
APPLICANT: CITY & STATE	YEAR		SPOUSE: CITY & STATE	YEAR	
	FROM	TO		FROM	TO
Phillip M. Anderson: Wayne, NE	1989	2011			
Phillip M. Anderson: Omaha, NE	2011	2012			
Phillip M. Anderson: Wayne, NE	2012	2013			
Cale Giese: Wayne, NE	1988	2013			

If necessary attach a separate sheet.

The undersigned applicant(s) hereby consent(s) to an investigation of his/her background and release present and future records of every kind and description including police records, tax records (State and Federal), and bank or lending institution records, and said applicant(s) and spouse(s) waive(s) any right or causes of action that said applicant(s) or spouse(s) may have against the Nebraska Liquor Control Commission, the Nebraska State Patrol, and any other individual disclosing or releasing said information. Any documents or records for the proposed business or for any partner or stockholder that are needed in furtherance of the application investigation of any other investigation shall be supplied immediately upon demand to the Nebraska Liquor Control Commission or the Nebraska State Patrol. The undersigned understand and acknowledge that any license issued, based on the information submitted in this application, is subject to cancellation if the information contained herein is incomplete, inaccurate or fraudulent.

Individual applicants agree to supervise in person the management and operation of the business and that they will operate the business authorized by the license for themselves and not as an agent for any other person or entity. Corporate applicants agree the approved manager will superintend in person the management and operation of the business. Partnership applicants agree one partner shall superintend the management and operation of the business. All applicants agree to operate the licensed business within all applicable laws, rules, regulations, and ordinances and to cooperate fully with any authorized agent of the Nebraska Liquor Control Commission.

Must be signed in the presence of a notary public by applicant(s) and spouse(s). See guideline for required signatures. <http://www.lcc.ne.gov/pdfs/New%20Application%20Guideline.pdf>

Cale Giese
Signature of Applicant

Signature of Spouse

Phillip Anderson
Signature of Applicant

Signature of Spouse

Signature of Applicant

Signature of Spouse

Signature of Applicant

Signature of Spouse

Signature of Applicant

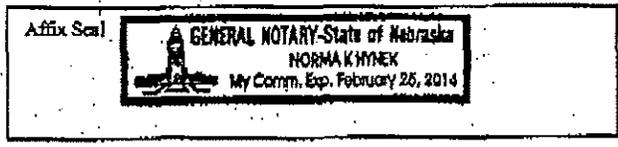
Signature of Spouse

ACKNOWLEDGEMENT

State of Nebraska
County of Dakota
12/2/13 date

The foregoing instrument was acknowledged before me this
by Cale Giese Phillip Anderson
name of person acknowledged

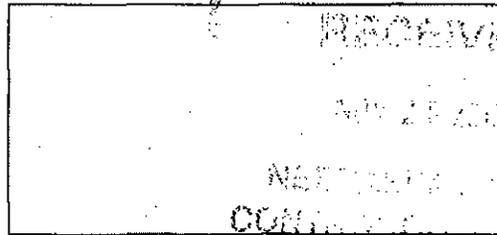
Norma K Hynek
Notary Public signature



In compliance with the ADA, this application is available in other formats for persons with disabilities. A ten day advance period is required in writing to produce the alternate format.

**APPLICATION FOR LIQUOR LICENSE
CATERING LICENSE**

NEBRASKA LIQUOR CONTROL COMMISSION
301 CENTENNIAL MALL SOUTH
PO BOX 95046
LINCOLN, NE 68509-5046
PHONE: (402) 471-2571
FAX: (402) 471-2814
Website: www.lcc.ne.gov



FEE \$100.00

A catering license allows a retail licensee to deliver, sell or dispense alcoholic liquors, including beer, for consumption at a location designated on a Special Designated License (SDL). The catering license is renewed in the same manner and time as the retail license held by the licensee. A licensee shall not cater an event unless a SDL has been obtained. *An applicant seeking a SDL must be filed with the local governing body where the event is to be held at least 21 days prior to the event.* The application must then be filed with the Commission ten working days prior to the event. The local or county approval and law enforcement notification letter must accompany the SDL when submitted to the Commission. The \$40 per day license fee is waived for the holder of a catering license and the number of events allowed is unlimited.

CLASS OF LICENSE AND NUMBER _____

NAME OF LICENSEE Gander Foods LLC.

TRADE NAME Godfather's Pizza

PREMISE ADDRESS 106 South Main Street

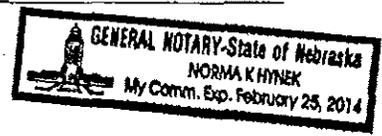
CITY/STATE/ZIP CODE Wayne, NE 68787 Wayne County

A copy of your application for a catering license will be forwarded to the local governing body for recommendation Neb.rev.state., the Liquor Commission shall set for hearing any application receiving local governing body denial, a citizens protest or having statutory problems discovered by the Commission. If the local governing body does not make a recommendation, the Commission may approve or deny the issuance of a license. Catering licenses shall be delivered to the licensee in the same manner as provided in subsection (4) of Neb. rev. state., for delivery of licenses.

[Handwritten Signature]
Signature of Licensee

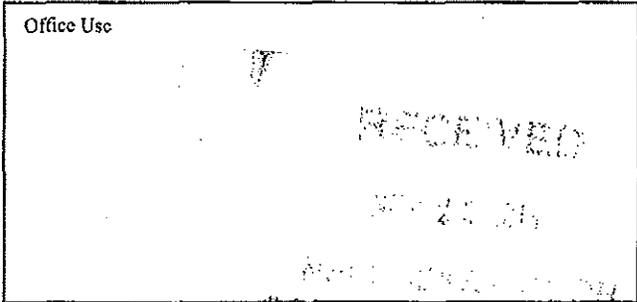
Subscribed in my presence and sworn to before me this 20th day of November 2013

[Handwritten Signature]
Notary Public Signature & Seal



**MANAGER APPLICATION
INSERT - FORM 3c**

NEBRASKA LIQUOR CONTROL COMMISSION
301 CENTENNIAL MALL SOUTH
PO BOX 95046
LINCOLN, NE 68509-5046
PHONE: (402) 471-2571
FAX: (402) 471-2814
Website: www.lcc.ne.gov



MUST BE:

- ✓ Citizen of the United States. Include copy of US birth certificate, naturalization paper or current US passport
- ✓ Nebraska resident. Include copy of voter registration in the State of Nebraska
- ✓ Fingerprinted. Two cards per person, fees of \$38 per person, made payable to Nebraska State Patrol. If printed at NSP mail check only.
- ✓ 21 years of age or older

Corporation/LLC information

Name of Corporation/LLC: Gander Foods LLC.

Premise information

Liquor License Number: _____ Class Type CK
(if new application leave blank)

Premise Trade Name/DBA: Godfather's Pizza

Premise Street Address: 106 South Main Street

City: Wayne County: Wayne Zip Code: 68787

Premise Phone Number: 402-833-5077

Email address: calegiese@gmail.com

The individual whose name is listed as a corporate officer or managing member as reported on insert form 3a or 3b or listed with the Commission. Click on this link to see authorized individuals.
http://www.lcc.ne.gov/license_search/licesearch.cgi

SIGNATURE REQUIRED BY CORPORATE OFFICER / MANAGING MEMBER
(Faxed signatures are acceptable)

Passport, Voter Reg, Signed

Manager's information must be completed below PLEASE PRINT CLEARLY

Last Name: Giese First Name: Cale MI: A

Home Address (include PO Box if applicable): 1012 Main Street

City: Wayne County: Wayne Zip Code: 68787

Home Phone Number: _____ Business Phone Number: 402-369-2145

Social Security Number: _____ Drivers License Number & State: H12919521 Nebraska

Date Of Birth: 1/27/1988 Place Of Birth: Wayne

Email address: calegiese@gmail.com

Are you married? If yes, complete spouse's information (Even if a spousal affidavit has been submitted)

YES

NO

Not Married

Spouse's information

Spouses Last Name: _____ First Name: _____ MI: _____

Social Security Number: _____ Drivers License Number & State: _____

Date Of Birth: _____ Place Of Birth: _____

APPLICANT & SPOUSE MUST LIST RESIDENCE(S) FOR THE PAST TEN (10) YEARS
APPLICANT SPOUSE

CITY & STATE	YEAR FROM	YEAR TO	CITY & STATE	YEAR FROM	YEAR TO
Wayne, NE	1988	2013			

MANAGER'S LAST TWO EMPLOYERS

YEAR FROM TO		NAME OF EMPLOYER	NAME OF SUPERVISOR	TELEPHONE NUMBER
2012	2013	Mid Plains Grain	None	402-695-2686
2011	2012	Beck Ag.	Stephanie Liska	866-375-4390

1. READ CAREFULLY. ANSWER COMPLETELY AND ACCURATELY.

Must be completed by both applicant and spouse, unless spouse has filed an affidavit of non-participation.

Has anyone who is a party to this application, or their spouse, EVER been convicted of or plead guilty to any charge. Charge means any charge alleging a felony, misdemeanor, violation of a federal or state law; a violation of a local law, ordinance or resolution. List the nature of the charge, where the charge occurred and the year and month of the conviction or plea. Also list any charges pending at the time of this application. If more than one party, please list charges by each individual's name.

YES NO

If yes, please explain below or attach a separate page.

RECEIVED

NOV 2 2013

NEBRASKA LIQUOR CONTROL BOARD

Name of Applicant	Date of Conviction (mm/yyyy)	Where Convicted (City & State)	Description of Charge	Disposition
Phillip M. Anderson	10/2009	Wayne, NE	Minor in Possession of Alcohol	Completed Diversion
Phillip M. Anderson	08/2012	Omaha, NE	Selling Tobacco to a Minor	Fined
Cale A. Giese	07/2006	Wayne, NE	Minor in Consumption of Alcohol	Fined

manager applicant

2. Have you or your spouse ever been approved or made application for a liquor license in Nebraska or any other state?

YES NO

IF YES, list the name of the premise(s):

3. Do you, as a manager, qualify under Nebraska Liquor Control Act (§53-131.01) and do you intend to supervise, in person, the management of the business?

YES NO

4. List the alcohol related training and/or experience (when and where) of the person making application.

*NLCC Training Certificate Issued: _____ Name on Certificate: _____

Applicant Name	Date (mm/yyyy)	Name of program (attach copy of course completion certificate)
		RECEIVED
		APR 28 2012
		NEB. STATE PATROL
		COMPL. CERT.

*For list of NLCC Certified Training Programs see www.lcc.ne.gov/traininginfo.html

Experience:

training required

Applicant Name / Job Title	Date of Employment:	Name & Location of Business:
Cale Giese / Bartender	2011/2012	Geno's Steakhouse Wayne NE
Cale Giese / Waiter - Cook	2011/2012	Godfathers Wayne NE
Cale Giese / Waiter	2010/2011	Pizza Hut Wayne NE
Phillip M. Anderson / Cook-Waiter	2010-2013	Godfathers Wayne NE
Phillip M. Anderson / Cashier	2012	TFL Omaha NE

Corporate manager applicant

5. Have you enclosed the required fingerprint cards and **PROPER FEES** with this application?
(Check or money order made payable to the **Nebraska State Patrol for \$38.00 per person**)

YES NO

PERSONAL OATH AND CONSENT OF INVESTIGATION

The above individual(s), being first duly sworn upon oath, deposes and states that the undersigned is the applicant and/or spouse of applicant who makes the above and foregoing application that said application has been read and that the contents thereof and all statements contained therein are true. If any false statement is made in any part of this application, the applicant(s) shall be deemed guilty of perjury and subject to penalties provided by law. (Sec §53-131.01) Nebraska Liquor Control Act.

The undersigned applicant hereby consents to an investigation of his/her background including all records of every kind and description including police records, tax records (State and Federal), and bank or lending institution records, and said applicant and spouse waive any rights or causes of action that said applicant or spouse may have against the Nebraska Liquor Control Commission and any other individual disclosing or releasing said information to the Nebraska Liquor Control Commission. If spouse has NO interest directly or indirectly, a spousal affidavit of non participation may be attached.

The undersigned understand and acknowledge that any license issued, based on the information submitted in this application, is subject to cancellation if the information contained herein is incomplete, inaccurate, or fraudulent.

Cale Giese
Signature of Manager Applicant

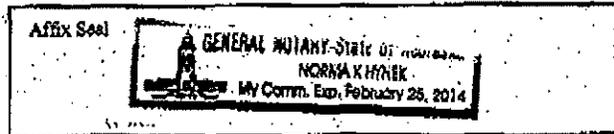
Signature of Spouse

ACKNOWLEDGEMENT

State of Nebraska
County of Wabate
12/2/13
date

The foregoing instrument was acknowledged before me this
by Cale Giese / Phillip Anderson
name of person acknowledged

Norma K Honek
Notary Public signature



In compliance with the ADA, this application is available in other formats for persons with disabilities. A ten day advance period is required in writing to produce the alternate format.

RESOLUTION NO. 2013-131

WHEREAS, Gander Foods, LLC, d/b/a “Godfather’s Pizza” made application to the Nebraska Liquor Control Commission for a Retail Class CK Liquor License at 106 S. Main Street, Wayne, Wayne County, Nebraska; and

WHEREAS, said application has been forwarded to the City of Wayne for public hearing and recommendation by the City Council; and

WHEREAS, notice of hearing on said application was published in one issue of the Wayne Herald on December 5, 2013; and

WHEREAS, a hearing was held on December 17, 2013, and all persons desiring to present evidence for or against said application were heard.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Wayne, Nebraska, that the application of the license aforementioned be recommended for approval to the Nebraska Liquor Control Commission.

PASSED AND APPROVED this 17th day of December, 2013.

THE CITY OF WAYNE, NEBRASKA,

By _____
Mayor

ATTEST:

City Clerk

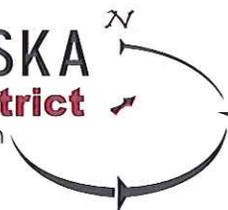
City of Wayne

Blight and Substandard Determination
Study for Area Referred to as the

North Central Redevelopment Area

October 10, 2013

NORTHEAST NEBRASKA
Economic Development District
Progress Requires Direction



North-Central Wayne

Table of Contents:

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▪ Study Area	4
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2) Documentation of Qualifying Conditions – Subjective Criteria	6
▪ Conclusion	9
▪ Exhibits	
1) Maps	
2) Photos	

Executive Summary

The purpose of this Study is to determine if all or part of the designated study area has deteriorated and become substandard and blighted according to the Community Development Law established in Nebraska Statute 18-2102.

Community Development Law

18-2102. Community Development Law; purpose. It is hereby found and declared that there exist in cities of all classes and villages of this state areas which have deteriorated and become substandard and blighted because of the unsafe, unsanitary, inadequate, or overcrowded condition of the dwellings therein, or because of inadequate planning of the area, or excessive land coverage by the buildings thereon, or the lack of proper light and air and open space, or because of the defective design and arrangement of the buildings thereon, or faulty street or lot layout, or congested traffic conditions, or economically or socially undesirable lands uses. Such conditions or a combination of some or all of them have resulted and will continue to result in making such areas economic or social liabilities harmful to the social and economic well-being of the entire communities in which they exist, needlessly increasing public expenditures, imposing onerous municipal burdens, decreasing the tax base, reducing tax revenue, substantially impairing or arresting the sound growth of municipalities, aggravating traffic problems, substantially impairing or arresting the elimination of traffic hazards and the improvement of traffic facilities, and depreciating general community-wide values. The existence of such areas contributes substantially and increasingly to the spread of disease and crime, necessitating excessive and disproportionate expenditures of public funds for the preservation of the public health and safety, for crime prevention, correction, prosecution, punishment and the treatment of juvenile delinquency, and for the maintenance of adequate police, fire, and accident protection and other public services and facilities. These conditions are beyond remedy and control solely by regulatory process in the exercise of the police power and cannot be dealt with effectively by the ordinary operations of private enterprise without the aids herein provided. The elimination of such conditions and the acquisition and preparation of land in or necessary to the renewal of substandard and blighted areas and its sale or lease for development or redevelopment in accordance with general plans and redevelopment plans of communities and any assistance which may be given by any state public body in connection therewith are public uses and purposes for which public money may be expended and private property acquired. The necessity in the public interest for the provisions of the Community Development Law is hereby declared to be a matter of legislative determination.

18-2103(10). Substandard areas shall mean an area in which there is a predominance of buildings or improvements, whether nonresidential or residential in character, which, by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency and crime, and is detrimental to the public health, safety, morals, or welfare.

18-2103(11). Blighted area shall mean an area, which (a) by reason of the presence of a substantial number of deteriorated or deteriorating structures, existence of defective or inadequate street layout, faulty lot layout in relation to size, adequacy, accessibility or usefulness, unsanitary or unsafe condition, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the fair value of the land, defective or unusual conditions of title, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, substantially impairs or arrests the sound growth of the community, retards the provision of housing accommodations or contributes an economic or social liability and is detrimental to the public health, safety, morals, or welfare in its present condition and use, and (b) in which there is at least one of the following conditions; (i) Unemployment in the designated area is at least one hundred twenty percent of the state or national average; (ii) the average age of the residential or commercial units in the area is at least forty years; (iii) more than half of the plotted and subdivided property in an area is unimproved land that has been within the city for forty years and has remained unimproved during that time; (iv) the per capita income of the area is lower than the average per capita income of the city or village in which the area is designated; or (v) that the area has had either stable or decreasing population based on the last two decennial censuses. In no event shall a city of the metropolitan, primary, or first class designate more than thirty-five percent of the city as blighted, a city of the second class shall not designate an area larger than fifty percent of the city as blighted, and a village shall not designate an area larger than one hundred per cent of the village as blighted.

Objective Criteria

State statute establishes a series of five quantitative or “objective” criteria. An area must meet at least one of these initial criteria.

- **Underemployment.** The qualifying condition is an unemployment rate in the designated area that is at least 120% of the state or national average. Block group data from the 2010 Census, as well as subsequent geographic area studies available through the Nebraska Department of Labor, were utilized to determine qualifying areas under this standard.
- **Average age of residential or commercial units in the area.** The qualifying condition is an average age that is at least forty (40) years old.
- **Per capita income.** The qualifying condition is a per capita income for the area that is lower than the average per capita income of the municipality in which the area is designated. Block group data from the 2010 Census was utilized to indicate the presence of this criterion.
- **Population.** The qualifying condition is that the area has had either stable or decreasing population based on the last two decennial censuses. Block group data from 1990, 2000, and 2010 was examined to indicate the presence of this criterion.

- Unimproved land. Compliance with this standard involved examining the corporate limits and defining areas within those limits which remain unimproved. The qualification is if more than half of the plotted and subdivided property in the area has been within the city for forty years and has remained unimproved during that time.

Subjective Criteria

If an area met one of the objective qualifying requirements, it would then be subject to further review under the "Subjective Criteria" section of the statute. If one or more of these qualifiers was met, the area in question was determined to be "blighted and substandard." The subjective criteria include the following:

- A substantial number of deteriorated or deteriorating structures,
- The existence of defective or inadequate street layout,
- Faulty lot layout in relation to size, adequacy, accessibility, or usefulness,
- Unsanitary or unsafe conditions,
- Deterioration of site or other improvements,
- Diversity of ownership,
- Tax or special delinquency exceeding the fair value of the land,
- Defective or unusual conditions of title,
- Improper subdivision or obsolete platting,
- The existence of conditions which endanger life or property by fire and other causes, or
- Any combination of such factors that substantially impairs or arrests the sound growth of the community, retards the provision of housing accommodations, or constitutes an economic or social liability and is detrimental to the public health, safety, morals, or welfare in its present condition and use.

Study Area:

The findings in this study are based on analysis conducted for a location referred to as the "North-Central Wayne." The area shall be described as follows: from the point of beginning at the intersection of the west right of way of Main Street and a line extending west from the south right of way of 10th Street; thence continuing east along the south right of way of 10th Street the northeast corner of College View Addition Block 2 Lot 1; thence continuing northeasterly to the southwest corner of College Hills First Addition Block 27 Lot 13; thence continuing north to the northwest corner of College Hills First Addition Block 27 Lot 13; thence continuing east along the north boundary of College Hills First Addition Block 27 Lot 13 to the west right of way of Walnut Street; thence continuing north along the west right of way of Walnut Street to a point intersecting with a line extending west from the north right of way Hillcrest Road; thence continuing east along the north right of way of Hillcrest Road to a point intersecting with a line extending north from the east right of way Lilac Lane; thence continuing south along the east right of way of Lilac Lane to a point intersecting with a line extending east from the south right of way of 10th Street; thence continuing west along the south right of way of 10th Street to the northeast corner of McPherran's Addition Lot 16; thence continuing south along the east boundary line of McPherran's Addition Lots 16, 5, 4, 3, 2, 1, and continuing south to the south right of way of 9th Street; thence continuing west along the south right of way of 9th Street to the John Lakes Addition Block 1 alley east right of way; thence continuing south along the east right of way of the alley of John Lakes Addition Block 1 and John Lakes Addition Block 8 to the centerline of 7th Street; thence continuing west along the centerline of 7th Street to the intersection with a line extending south from the west right of way of Windom Street; thence continuing north along the east right of way of Windom Street to the northeast corner of John Lake's Addition Block 7, Lot 7; thence continuing west 75 feet (to the northwest corner of Wayne County Assessor parcel id 4431.00); thence continuing south to the centerline of 7th Street; thence continuing west along centerline of 7th Street to a point at the intersection of the west right of way of Nebraska and the centerline of Main Street; thence continuing north along the west right of way of Nebraska Street to the northeast corner of John Lake's Addition Block 6 Lot 10; thence continuing west along the north boundary of John Lake's Addition Block 6 Lot 10 to the northwest corner of John Lake's Addition Block 6 Lot 10; thence continuing south to the southwest corner of John Lake's Addition Block 6 Lot 10; thence continuing west across the alley, continuing west along the north boundary line of John Lake's Addition Block 6 Lot 4, crossing 7th Street, continuing west to the northwest corner of John Lake's Addition Block 5 Lot 9; thence continuing south along the east right of way of the alley of John Lake's Addition Block 5 to the southwest corner of John Lake's Addition Block 5 Lot 9; thence continuing west across the alley and the north boundary of John Lake's Addition Block 5 Lot 5 and extending west until it intersects with the west right of way of Main Street; thence continuing north along the west right of way of Main Street until it reaches the point of beginning at intersection of the west right of way of Main Street and a line extending west from the north right of way of 10th Street.

Spahr's Addition Block 1 Lots 20, 21, and 1, which is property of Grace Lutheran Church (Wayne County Assessor parcel numbers 801880, 8018801, and 8018900), are not included in the blight study area and are blocked out of the map. The John Lakes 2 Redevelopment Area is not included in the study area and is blocked out of the map.

See Exhibit 1 for map.

Findings

Documentation of Qualifying Conditions – Objective Criteria

1) Unemployment.

Wayne County had a April 2013 unemployment rate of 2.9%. Nebraska had an unemployment rate of 3.7% and the United States had a rate of 7.8%.

The study area does not meet the criteria of at least 120% of the state or national average.

2) Average age of residential or commercial units in the area. The qualifying condition is an average age that is at least 40 years old.

There are 2 commercial and 131 residential properties within the redevelopment area which have dates of construction listed at the Wayne County Assessors' office. The average age for the properties in the area is 80.4 years. There are also several smaller buildings in the area that did not have dates of construction listed including residential type garages, with no verifiable date of construction on file. Those buildings were not listed in developing the average age of 80.4 years.

The study area **does meet** the qualifying condition for average age.

3) Per capita income.

Per capita income data by census is not available for this specific area.

The study area does not meet the per capita income qualification.

4) Population.

Population has increased over the past two decennial censuses for the City of Wayne. The study area does not line up with a block group to show a smaller area.

- 1990 Census: community: population-5,142
- 2000 Census: community: population-5,586
- 2010 Census: community: population-5,660

The study area does not meet the criteria of decreasing population.

5) Unimproved land

The study area has 149 tax parcels in the boundary, with 5 vacant lots, which is not 50% of the area.

The study area does not meet the criteria of unimproved land.

As a result of meeting at least one of the objective criteria, the redevelopment area is subject to further review under the “subjective criteria” section of the statute.

Documentation of Qualifying Conditions – Subjective Criteria

1) A substantial number of deteriorated or deteriorating structures.

A field analysis was conducted October 24, 2012 and March 1, 2013 to determine if parcels within the redevelopment area have significant combination of deteriorating factors present. The field survey included a detailed evaluation of the exteriors of the structures. See Exhibit 2.

During analysis, the buildings were given a condition rating. The building conditions ratings were based on the following criteria:

Dilapidated: In need of more than one major repair, for example, to the roof, foundation, windows, and/or siding, etc. Severe visible damage to the foundation automatically leads to a classification of dilapidated. These structures are usually considered to be beyond rehabilitation.

Poor: Had visible signs of deterioration, especially to the windows, siding, roof, and porch. Asbestos shingles/siding automatically leads to a classification of poor. Could be rehabilitated, but substantial cost would be involved.

Fair: Usually had one sign visible of deterioration to the windows, siding, roof, etc. Not a significant amount of damage, but some work would be required to list the building for top dollar.

Average: Structure had no substantial signs of deterioration. However; cosmetic flaws were visible, such as outdated fixtures or very minor paint damage. This would require very little to no cost to sell the home for top dollar.

Excellent: Structure shows absolutely no signs of deterioration. No cosmetic flaws were visible. Only a very small percentage of structures will fall into this category.

Building Condition	Excellent	Good	Fair	Poor	Dilapidated	
Total: 200	0(0%)	86 (43%)	71 (35.5%)	37 (18.5%)	6 (3%)	
<u>buildings (6) rated "Dilapidated"</u>						
<u>43 structures (21.5%) rated "Poor" or "Dilapidated"</u>						

Of the total properties (buildings) assessed, 43 of the 200 buildings were given ratings of poor or dilapidated. This accounts for 21.5% of the total properties in the redevelopment area. There were also several paved parking lots, vacant lots,

and three lots containing a park, which did not have a building and were not counted.

The study area **does meet** the criteria of a substantial number of deteriorated or deteriorating structures.

2) The existence of defective or inadequate street layout.

The street system is laid out in a rectangular method and each lot has street access.

The study area does not meet the existence of defective or inadequate street layout criteria of blighted.

3) Faulty lot layout in relation to size, adequacy, accessibility or usefulness.

The lot layout in the study area is adequate for residential housing.

The study area does not meet the faulty lot layout in relation to size, adequacy, accessibility or usefulness criteria of blighted.

4) Unsanitary or unsafe conditions.

The study area inspection revealed that unsafe conditions exist. Eighty-one of the aging residential and commercial structures constructed were constructed prior to 1932 and are over 80 years of age. Six structures were classified as dilapidated which can have potential health and safety issues that may pose a threat to individuals.

- Based simply on the age of the properties in the study area, structural integrity, out-of-date wiring, ineffectual plumbing, outdated bathroom facilities, deficient air and heating capabilities, and improper exits/entrances (i.e., window/door escapes) are present.
- Inadequate and aging structures in the study area contain foundation, floor structure; doors/windows/fire escapes (egress/ingress) flaws. These basic building elements constitute an economic or social liability and are detrimental to public health, safety and welfare in their present condition.
- The age of the properties is also indicative of having lead based paint present. The very young, in particular, are susceptible to the safety issues caused by lead based paint.
- In addition to inadequate structures there are deteriorated sidewalks, ramps, streets, curbs and alleys located throughout the study area.

The study area **does meet** the unsanitary or unsafe conditions criteria.

5) Deterioration of site or other improvements.

The field survey evaluated the condition of site improvements. The property in the study area was determined to have inadequate sidewalks for pedestrian and unpaved parking for rental homes. See Exhibit 2.

The study area **does meet** the deterioration of site or other improvements criteria.

6) Diversity of ownership.

Based on available property records, the 149 tax parcels of land in the study area are owned by 131 different property owners. The property owners who own multiple parcels are several residential rental property owners. The multiple property owners' lots are scattered throughout the study area which would create barriers to a business or housing development and would require a larger land area consisting of several lots.

The study area **does meet** the diversity of ownership criteria.

7) Tax or special delinquency exceeding the fair value of the land.

The Wayne County Assessor's office records did not reveal any excessive tax or special assessment.

The study area does not meet the tax or special delinquency criteria.

8) Defective or unusual conditions of title.

No defective or unusual conditions of title were identified.

The study area does not meet the defective or unusual conditions of title criteria.

9) Improper subdivision or obsolete platting.

The configuration of antiquated narrow lots, in both residential and commercial areas, can inhibit development within the study area. The lot size and configuration is adequate for residential homes or commercial business.

The study area does not meet the faulty lot layout in relation to size, adequacy, accessibility, or usefulness criteria.

10) The existence of conditions that endanger life or property by fire and other causes.

The average age of the structures in the redevelopment area is 79.05 years old with eighty-one of the structures from 80 to 136 years of age. The existence of aged flammable materials, deteriorating electrical systems, and faulty heating systems increases the potential threat of fire. Inadequate roofing and old wiring can also

provide for dangerous conditions.

The study area **does meet** the existence of conditions that endanger life or property by fire and other causes criteria.

- 11) Any combination of such factors is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, and crime and is detrimental to the public health, safety, morals, or welfare in its present condition and use.

The study area does not meet the existence of conditions other factors which are detrimental to the public health, safety, morals, or welfare in its present condition and use.

Conclusion

The purpose of this study is to determine if all or part of the designated study area is sub-standard and blighted. In order to make the determination of substandard and blighted, state statute establishes a series of five quantitative or objective criteria and that the area must meet at least one of these initial criteria. In this instance, it has been determined that the objective criteria of the following have been met:

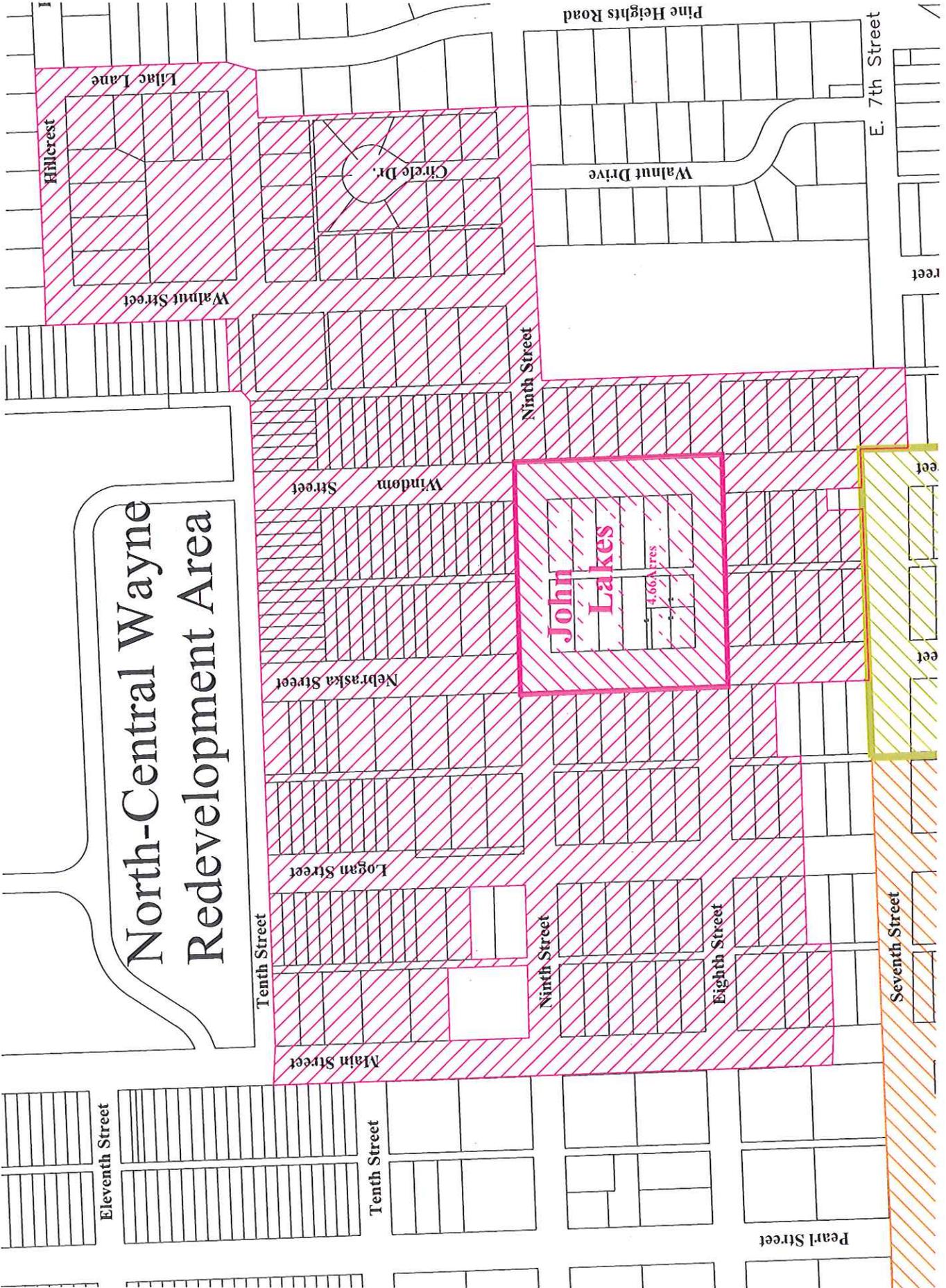
- Average age of residential or commercial units in the area. The qualifying condition is an average age that is at least forty (40) years old.

If an area met one of the objective qualifying requirements, it would then be subject to further review under the subjective criteria section of the statute. In this instance, it has been determined that the subjective criteria of the following have been met:

- A substantial number of deteriorated or deteriorating structures,
- Unsanitary or unsafe conditions,
- Deterioration of site or other improvements,
- Diversity of ownership criteria,
- The existence of conditions which endanger life or property by fire and other causes,

Having met both objective and subjective criteria of substandard and blighted as defined by section 18-2103 (10) and 18-2103 (11) of the Nebraska Community Development Law, this study has determined that the study area is both substandard and blighted under the provisions identified and the general plan as required.

North-Central Wayne Redevelopment Area



Wayne - "North Central" Redevelopment Area



- Deterioration
- unsafe foundation



- Deteriorating roof



Wayne - "North Central" Redevelopment Area



- Debris

- Deteriorating infrastructure



Wayne - "North Central" Redevelopment Area



- Steps leading to the residential home are deteriorating - unsafe conditions

(Below)

- Unmarked barrel



Wayne - "North Central" Redevelopment Area



- Peeling paint
- Deteriorating structure - roof & framework



- Debris



Wayne - "North Central" Redevelopment Area



- Crumbling foundation



- Deteriorating siding



Wayne - "North Central" Redevelopment Area



- Broken/missing panels on outstructure



- Debris



Wayne - "North Central" Redevelopment Area



Deteriorating structure



Foundation beginning to deteriorate



Insufficient drainage - eventual foundation impact



Outdated windows

Wayne - "North Central" Redevelopment Area

- Unpaved parking lot



RESOLUTION NO. 2013-123

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WAYNE, NEBRASKA, MAKING FINDINGS AND DECLARING PORTIONS OF THE CITY TO BE BLIGHTED AND SUBSTANDARD PURSUANT TO THE NEBRASKA COMMUNITY DEVELOPMENT LAW; ORDERING PUBLICATION OF NOTICE AND OTHER MATTERS.

WHEREAS, it is desirable and in the public interest that the City of Wayne, Nebraska, a Municipal Corporation and City of the First Class, undertake and carry out urban redevelopment projects in areas of the City which are determined to be substandard and blighted and in need of redevelopment; and

WHEREAS, Chapter 18, Article 21, Nebraska Reissue Revised Statutes, as amended, known as the Community Development Law (the "Act"), is the Urban Renewal and Redevelopment Law for the State of Nebraska and prescribes the requirements and procedures for the planning implementation of urban redevelopment projects; and

WHEREAS, the City, in accordance with the Laws of the State of Nebraska applicable to cities, has duly prepared and approved a general plan for the development of the City known as its Comprehensive Plan, all as required by Section 18-2110 of the Act; and

WHEREAS, the Planning and Zoning Commission of the City has recommended that the area described in Attachment "A" (the "Study") be declared blighted and substandard and in need of redevelopment; and

WHEREAS, this Council has held a public hearing, after notice as required by Sections 18-2109 and 18-2115 of the Act and has received and duly considered evidence relating to the present condition of the areas as shown and described in the Study; and

WHEREAS, Section 18-2109 of the Act required that, prior to the preparation by the City of a redevelopment plan for a redevelopment project, this Council as governing body of the City, by Resolution, finds and determines that the area is a substandard and blighted area as defined in the Act and in need of redevelopment; and

WHEREAS, the evidence demonstrates that said area, as shown and described in the Study, constitutes a substandard and blighted area as defined in the Act, which area is in need of redevelopment.

NOW THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Wayne, Nebraska, as follows:

1. That it is hereby found and determined that the area shown and described on Attachment "A" constitutes a substandard and blighted area as defined by Section 18-2103 of the Act and that said area is in need of redevelopment.
2. That it is hereby found and determined that a substandard and blighted condition exists as set forth and discussed in the Study.
3. That such substandard and blighted condition is beyond the remedy and control solely by regulatory process and the exercise of police power and cannot be dealt with effectively by the ordinary operations of private enterprise without the aids provided by the Community Development Law. The elimination of said substandard and blighted condition under the authority of the Community Development Law is found to be a public purpose and in the public interest.
4. That it is hereby found and determined that said area is an eligible site for an urban redevelopment project under the provisions of Chapter 18, Article 21, Nebraska Revised Statutes of 2013, as amended.
5. That the City Clerk is directed to publish notice, according to law, inviting proposals from developers for the redevelopment of the area described on Attachment "A".

PASSED AND APPROVED this 17th day of December, 2013.

THE CITY OF WAYNE, NEBRASKA,

By: _____
Mayor

ATTEST:

City Clerk

ORDINANCE NO. 2013-51

AN ORDINANCE AMENDING WAYNE MUNICIPAL CODE CHAPTER 90, ARTICLE VII, DIVISION 4 PUD PLANNED UNIT DEVELOPMENT, SECTION 90-641 INTENT; TO PROVIDE FOR THE REPEAL OF CONFLICTING ORDINANCES OR SECTIONS; AND TO PROVIDE FOR AN EFFECTIVE DATE.

BE IT ORDAINED by the Mayor and Council of the City of Wayne, Nebraska;

Section 1. The Planning Commission held a public hearing on November 4, 2013, and recommended amending Section 90-641 PUD Planned Unit Development of the Wayne Municipal Code, with the "Findings of Fact" being: Consistency with the Comprehensive Plan and current City Code.

Section 2. That Chapter 90, Article VII, Division 4, Section 90-641 of the Wayne Municipal Code is amended as follows:

Sec. 90-641 Intent.

- (a) The owner of any tract of land comprising an area of not less than two acres for residential development, two acres for a commercial development, or ten acres for an industrial development located in any zoning district **within city limits** may submit a plan for the total development of the area in accordance with the following standards and requirements as a planned unit development.
- (b) The planned unit development (PUD) district is intended to permit private or public development or redevelopment of areas throughout the city which shall be substantially in accordance with goals and objectives of the comprehensive plan for the city. The proposed development shall provide a desirable environment and shall be harmonious with the general surrounding uses while permitting flexibility in overall development.

Section 3. All Ordinances or parts of Ordinances in conflict herewith are repealed.

Section 4. This Ordinance shall be in full force and effect after its passage, approval, and publication as provided by law

PASSED AND APPROVED this 17th day of December, 2013.

THE CITY OF WAYNE, NEBRASKA

By _____
Mayor

ATTEST:

City Clerk

RESOLUTION NO. 2013-132

A RESOLUTION DIRECTING CITY CLERK TO CERTIFY RAZING COSTS TO THE WAYNE COUNTY CLERK AND THE WAYNE COUNTY TREASURER TO BECOME A LIEN ON TAX LOT 22 (50X100 FT. TRACT) IN THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 18, TOWNSHIP 26 NORTH, RANGE 4, EAST OF THE 6TH P.M., WAYNE COUNTY, NEBRASKA, MORE COMMONLY DESCRIBED AS 111 FAIRGROUNDS AVENUE, WAYNE, NEBRASKA.

HEREAS, the City of Wayne has incurred costs associated with the razing of the property located at 111 Fairgrounds Avenue, Wayne, and legally described as Tax Lot 22 (50x100 ft. tract) in the Northwest Quarter of the Southwest Quarter of Section 18, Township 26 North, Range 4, East of the 6th P.M., Wayne County, Nebraska; and

WHEREAS, Section 18-241 of the Wayne Municipal Code states that if any owner of any building or structure fails, neglects, or refuses to comply with notice by or on behalf of the City to repair, rehabilitate, or demolish and remove a building or structure which is unsafe, or a public nuisance, or is in violation of the 2006 International Property Maintenance Code as adopted by Wayne Municipal Code, Sec. 18-242, the City may proceed with the work specified in the notice to the property owner; and

WHEREAS, Section 18-241 of the Wayne Municipal Code further states that the Council may levy the cost as a special assessment against the lot or real estate upon which the building or structure is located; which special assessment shall be a lien on the real estate and shall be collected in the manner provided for special assessments; or collect the cost from the owner of the building or structure and enforce the collection by civil action in any court of competent jurisdiction.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and the Council of the City of Wayne, Nebraska, that the Wayne City Clerk shall certify to the Wayne County Clerk and the Wayne County Treasurer the total amount of \$1,040.00 in expenses incurred by the City of Wayne in the razing of the property referenced herein, and upon certification to the Wayne County Clerk and the Wayne County Treasurer, such expense shall become a lien on 111 Fairgrounds Avenue, Wayne, and legally described as Tax Lot 22 (50x100 ft. tract) in the Northwest Quarter of the Southwest Quarter of Section 18, Township 26 North, Range 4, East of the 6th P.M., Wayne County, Nebraska, as a special assessment tax levied on the date of such certification.

BE IT FURTHER RESOLVED that the Wayne County Treasurer shall add such expense to and it shall become and form a part of the taxes on such property described herein and shall bear interest at the same rate as taxes and to be collected as a special tax in the manner provided by law.

Passed and approved this 17th day of December, 2013.

THE CITY OF WAYNE, NEBRASKA

By _____
Mayor

ATTEST:

City Clerk



RESOLUTION NO. 2013-133

A RESOLUTION AUTHORIZING THE SALE OF TAX LOT 32 LOCATED IN THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 13, TOWNSHIP 26 NORTH, RANGE 3, EAST OF THE 6TH P.M., WAYNE COUNTY, NEBRASKA, TO THE COUNTY OF WAYNE, NEBRASKA.

WHEREAS, the City of Wayne is the owner of the following described property, to-wit:

Tax Lot 32 located in the Northeast Quarter of the Southeast Quarter of Section 13, Township 26 North, Range 3, East of the 6th P.M., Wayne County, Nebraska; and

WHEREAS, there are no current delinquent real estate taxes or special assessments payable to Wayne County, Nebraska.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and the Council of the City of Wayne, Nebraska, that the City Attorney is directed to prepare an ordinance directing the sale of a tract of land described as follows:

Tax Lot 32 located in the Northeast Quarter of the Southeast Quarter of Section 13, Township 26 North, Range 3, East of the 6th P.M., Wayne County, Nebraska,

to the County of Wayne, Nebraska, for the sum of \$50,000.00 and other valuable consideration.

PASSED AND APPROVED this 17th day of December, 2013.

THE CITY OF WAYNE, NEBRASKA

By _____
Mayor

ATTEST:

City Clerk

ORDINANCE NO. 2013-53

AN ORDINANCE DIRECTING THE SALE OF TAX LOT 32 LOCATED IN THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 13, TOWNSHIP 26 NORTH, RANGE 3, EAST OF THE 6TH P.M., WAYNE COUNTY, NEBRASKA, TO THE COUNTY OF WAYNE, NEBRASKA.

BE IT ORDAINED by the Mayor and the Council of the City of Wayne, Nebraska:

Section 1. The Mayor and City Council are directed to convey by Warranty Deed to the County of Wayne, Nebraska, the property owned by the City and legally described as:

Tax Lot 32 located in the Northeast Quarter of the Southeast Quarter of Section 13, Township 26 North, Range 3, East of the 6th P.M., Wayne County, Nebraska,

for the sum of \$50,000.00 and other valuable consideration.

Section 2. Notice of the sale and the terms contained in Section 1 shall be published for three consecutive weeks in the Wayne Herald, provided that if a remonstrance against said sale signed by legal electors thereof equal in number to 30% of the electors of the City voting at the last regular municipal election held therein, be filed with the governing body within thirty days of the passage and publication of this ordinance, said property shall not then, nor within one year thereafter, be sold.

Section 3. This ordinance shall take effect and be in full force from and after its passage, approval, and publication according to law.

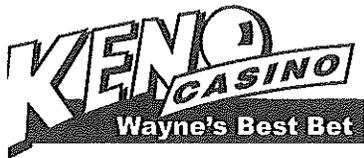
PASSED AND APPROVED this 17th day of day of December, 2013.

THE CITY OF WAYNE, NEBRASKA

By _____
Mayor

ATTEST:

City Clerk



SPECIFICATIONS FOR THE OPERATION
OF A KENO-TYPE LOTTERY FOR CITY OF WAYNE

I. STATUTORY FRAMEWORK

The following proposal of Advanced Gaming Technologies Inc., a Nebraska corporation, hereinafter referred to as "Contractor or AGT", is being presented to the City of Wayne, Nebraska, hereinafter referred to as "City", to operate a keno-type lottery within the corporate limits of the city of Wayne, Nebraska. All terms and specifications of this proposal, the Lottery Operator Agreement and the conduct of the lottery shall be in accordance with all applicable laws, regulations and licensing provisions.

II. BACKGROUND INFORMATION OF CONTRACTOR

A. Name of Contractor

Advanced Gaming Technologies, Inc.
10308 South 23rd street
Bellevue, Ne. 68123

B. Shareholders of Advanced Gaming Technologies Inc

1) AGT Shareholders-Officers

President

John Hassett 3211 S. 57 cr. Omaha, NE. 68106 12-30-54 - 41% owner
Spouse – Alberta 3-23-56

Vice President

Rodney Kruse 8129 Frances St.. Omaha, NE. 68124, 6-27-47 12.5%

Secretary\Treasurer

Mike Dobel 1723 S. 155 Ave Omaha NE 68144 7-21-52 12.5%

Shareholders – Not Officers

Joseph Monastero 709 Pine St. Omaha NE 68108 1-26-40 12.5%

Nancy Hodges 7728 S. 70 St. Omaha NE 68128 3-17-58 12.5%

Michael Odorisio 7401 S. 140 Ave. Omaha NE 68138 6-13-55 9%



C. Person in charge of day-to-day operations

John Hassett

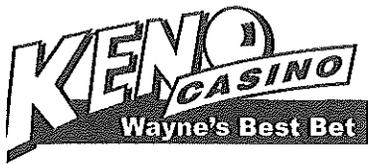
- D. John Hassett 3211 S. 57 cr. Omaha, NE. 68106 12-30-54 - 41% owner
 Spouse – Alberta 3-23-56
 Rodney Kruse 8129 Frances St., Omaha, NE. 68124, 6-27-47 12.5%
 Mike Dobel 1723 S. 155 Ave Omaha NE 68144 7-21-52 12.5%
 Joseph Monastero 709 Pine St. Omaha NE 68108 1-26-40 12.5%
 Nancy Hodges 7728 S. 70 St. Omaha NE 68128 3-17-58 12.5%
 Michael Odorisio 7401 S. 140 Ave. Omaha NE 68138 6-13-55 9%

- E. John Hassett is the president of AGT, Inc. and is directly responsible for keno-type lotteries currently operated in Bellevue, Cedar Creek, Gretna, Jackson, Louisville, Sarpy County, South Sioux City, Springfield, and Unadilla. These operations vary from single location games to a main game with numerous satellites running the same game simultaneously. AGT is a 50% partner in the keno games in Cass, Johnson and Otoe counties.

Hassett has been involved in keno since 1991 and in bingo since 1978. He has operated main parlors, installed satellites, worked with three different companies on keno software development, designed and maintained accounting forms, assisted in the testing of the current audit procedures and overseen all aspects of a keno operation.

Rodney Kruse and Joe Monastero were owners in Midwest vending which operated the Springfield keno game before the game was sold to AGT.

- F. No shareholder of the Contractor has been convicted of any crime other than a minor traffic violation.
- G. The Contractor has not been sued within the last seven years.
- H. Neither, the Contractor nor any officer or member owning more than five percent (5%) equity of the Contractor, has filed bankruptcy in the last 7 years.
- I. The current municipalities in which AGT operates a keno-type lottery, the gross revenue from those operations and the annual net revenues paid to the municipalities are listed in Exhibit A.



- J. Current financial statements and copies of tax returns will be provided to the attention of the City Clerk, marked "Confidential" and made available for review by the appropriate parties upon request to the City Clerk. All of the financial information will not be within the last 60 days as requested by the request for proposal.
- K. The Contractor does not have any other business interests in the City of Wayne.
- L. The Contractor, Advanced Gaming Technologies Inc., is a Nebraska corporation. A current certificate of good standing can be provided upon the cities' request.
- M. The Contractor agrees to notify the City of any changes in the above information with fifteen (15) days. Changes in the case of financial statements shall mean a material change.

III. OPERATION OF THE LOTTERY

A. Specifications for the Keno-Type Lottery

1. Contractor agrees to conduct a ball draw type keno game at one main location. The main location would be the 4th Jug Sports Bar which will be built at 1001 East 7th Street in Wayne. This building will be owned and managed by Ken Jorgenson. He estimates that the building will be ready about October 1, 2014. Any interested satellite locations would be connected to the main game after City approval. Any satellites location could be operated as a separate random number generated game before the completion of the main game. The letters of intent to offer keno in those facilities will be solicited upon awarding of the contract. There will be TVs that display the keno results in the main areas of all locations. The locations will have ample parking to handle Keno players. Signage will be provided for keno.
2. Contractor shall use equipment, materials and supplies that are routinely used in the conduct of a keno-type lottery. All equipment and materials used shall be approved by the NE. Dept. of Revenue and supplied by licensed providers. Contractor plans to utilize some self-service keno terminals.
3. Contractor shall utilize all standard security procedures and methods to secure the equipment and materials used in the conduct of the lottery and to ensure the safety of staff and patrons. All personnel associated with the lottery, such as writers, supervisors and location owners are required to be licensed by the Dept. of Revenue, which involves background checks and in some cases, fingerprinting.
4. John Hassett will be responsible for the operation of the keno game, maintaining the records and making the payments to the City.

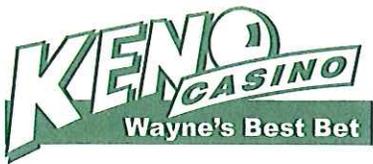


5. Contractor agrees to operate and conduct a keno-type lottery. The lottery operated by the Contractor shall be a keno-type lottery, in which;
 - a. The Contractor provides a display of the numbers 1-80.
 - b. The player buys a validated ticket showing random selection by the player of any combination of 1 to 20 numbers.
 - c. The player bets the desired amount.
 - d. The lottery system randomly selects 20 numbers out of 80.
 - e. The player is a winner if player has picked the proper combination of numbers selected according to player's bet.
 - f. A schedule of prizes is established so that there is a definite payoff depending on the combination of winning numbers selected, based upon the amount of money bet.

Contractor proposes a maximum aggregate payout per game of \$50,000.00.

Contractor recommends and anticipates utilizing a base payout percentage on the regular pay-tables and then offering "special plays and payouts" on a monthly, daily or nightly basis, to attract customers and encourage additional play. Contractor does not anticipate using progressive jackpots. Contractor does offer insured jackpot games and is willing to do so subject to the City's approval.

6. The lottery game conducted shall be a gambling scheme in which:
 - a. The players pay or agree to pay something of value for an opportunity to win;
 - b. Winning opportunities are represented by tickets;
 - c. Winners are solely determined by use of a game known as keno in which a player selects up to twenty (20) numbers from a total of eighty (80) numbers on a ticket and a computer, or other electronic selection device, or electronically operated blower machine which is not player activated, randomly selects up to twenty (20) numbers from the same pool of eighty (80) numbers and the winning players are determined by the correct matching of the numbers selected by the players with the numbers randomly selected by the computer, other electronic selection device, or electronically operated blower machine.

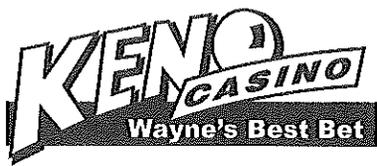


- d. The holders of winning tickets are to receive cash or prizes redeemable for cash.
 - e. Selections of a winner or winners shall be predicated solely on chance.
7. Any lottery operated pursuant to the Nebraska County and City Lottery Act shall not include:
- a. Any gambling scheme which uses any mechanical gaming device, computer gaming device, electronic gaming device, or video gaming device which has the capability of awarding something of value, free games redeemable for something of value, or tickets or stubs redeemable for something of value.
 - b. Any activity authorized or regulated under the Nebraska Bingo Act, the Nebraska Pickle Card Lottery Act, the Nebraska Lottery and Raffle Act, the Nebraska Small Lottery and Raffle Act, Section 9-701, or Chapter 2, Article 12 of the Nebraska Revised Statutes; or
 - c. Any activities prohibited under Chapter 28, Article 11 of the Nebraska Statutes.
 - d. This section shall not prohibit the Contractor from conducting games pursuant to the Nebraska Pickle Card Lottery Act. These games shall be a separate operation of the Contractor and no proceeds from said operations shall be commingled with the Keno operation.
8. Contractor agrees to use approved tickets. The computer generated tickets are required to have printed on it, the name of the city and a unique identification number along with other pertinent information.

The statement stating “winning tickets must be cashed with 24 hours of last game” is not a requirement of the Department of Revenue or the State, but rather a discretionary decision of the operator to minimize a federal excise tax that the operator is responsible for. However, if the City requires it, the Contractor agrees to do so.

Separate records shall be kept for all locations for tickets sold.

9. Contractor intends to conduct the lottery operation within the hours permitted by regulation, those being from 6:00 A.M. – 2:00 A.M. Each location will have the lottery game running during their normal hours of operation within the hours permitted by law. Keno will be in operation any day that the facility is open.



B. SPECIFICATIONS FOR MANAGEMENT OF THE LOTTERY OPERATION

1. Contractor agrees to have the lottery in operation within six (6) months after being awarded the Lottery Operator Agreement. The actual time is anticipated to be much less, due to Contractor being currently licensed as a lottery operator and readily available equipment.
2. Contractor agrees to provide the expertise, supplies, equipment, promotions, commissions, employees, locations, know-how and financing necessary to operate a keno-type lottery.
3. Contractor proposes to utilize all available marketing methods available to promote play of the keno lottery. These may include but are not be limited to radio, newspaper, mailings and posters along with in-house promotions, such as special plays and pay-outs and a player-club program.
4. Contractor shall provide the City a monthly financial accounting of all gross proceeds, expenses and taxes.
5. Contractor agrees that gross proceeds, less the portion paid out as instant prizes of less than \$1,500.00, shall be deposited in a separate bank account maintained at a bank of the City's choosing. All expenses and prizes, except instant cash payouts of \$1,500.00 or less, shall be paid by check drawn on said account. All prizes greater than \$1,500.00 per game, shall be paid by check.
6. Contractor agrees to be responsible for licensing and reporting requirements pertaining to federal, state and local taxes on taxable lottery winnings for itself and the City as required by law.
7. Within ten (10) days after award of the lottery operator agreement by the City, Contractor agrees to provide an irrevocable letter of credit in the amount of \$50,000.00 as a performance and payment bond. Said performance bond shall guarantee Contractor's full and complete performance of the Agreement, including payment to the City of all sums due and payment of all legitimate prizes. The \$10,000 cashier's check was included as a bid bond with this proposal.
8. Contractor agrees to provide proof of insurance with an insurance company acceptable to the City within ten (10) days of notification by City of a successful election and annually thereafter, that will provide Contractor the following protections of coverage:
 - a. General liability in the amount of \$1,000,000.00 per occurrence and \$5,000,000.00 aggregate for bodily injury and \$100,000 for property damage and shall provide for assumed contractual liability coverage as imposed by

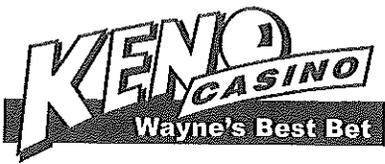


the Lottery Operator Agreement notwithstanding that the City be named as additional insured.

- b. Worker's Compensation to statutory limits.
- 9. Contractor understands that he would be entitled to sell concessions only with the appropriate licenses.
- 10. The contract shall be for five (5) years from the date of commencement of lottery unless terminated sooner in accordance with the terms of the Lottery Operator Agreement.
- 11. Contractor shall provide monthly ticket and winner reports for all winners of \$1,500.00 or greater per game and are subject to federal and state tax reporting.

C. PROCEEDS FROM THE KENO-TYPE LOTTERY

- 1. Not less than sixty-five percent (65%) of the gross proceeds shall be used for the awarding of prizes. The Contractor shall receive twelve percent (12%) of the gross proceeds as the operating expense of the lottery while operating stand alone random generated games. The Contractor's percentage will increase to (14%) when the ball draw game opens. The City shall not receive less than ten percent (10%) of the gross proceeds after payment of prizes and Contractor's percentage while the keno game is being operated as separate random generated locations. The City's percentage will be reduced to 8% when the live ball draw is open. The City's percentage includes the state's two percent (2%) tax.
 - a. The City reserves the right to designate the percentage of gross proceeds to be paid out in prizes, keeping in mind the percentages required to meet the obligations to the Contractor, the State and the City.
 - b. Contractor is willing to operate the lottery at the minimum payout percentage allowed by law of sixty-five percent (65%). However, the recommended overall prize payout is seventy-eight percent (78%).
 - c. Contractor has prepared and provided pay-tables utilizing the recommended payout percentage of seventy-eight percent (78%). Examples of "special" plays and pay-outs that would be utilized to reach the recommended overall payout percentage of seventy-eight percent (78%). The payout percentage is projected by using a weighted average of typical keno play based on the proposed pay book and specials. The payout percentage will be determined over the life of the contract. The pay book and sample special cards are attached as Exhibit B



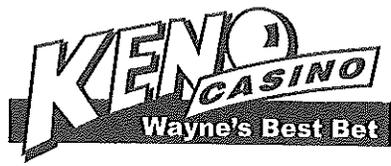
2. The Contractor shall pay all expenses incurred in the conduct of the lottery. Said expenses shall include those listed in items a thru h of this section.
 - a. All costs associated with the purchasing, printing and manufacturing of any items to be used and distributed in the lottery;
 - b. All office and clerical expenses in connection with the lottery;
 - c. All promotional expenses of the lottery;
 - d. All salaries of persons employed to operate or supervise the lottery;
 - e. Any rental or lease expense related to the lottery;
 - f. Any fee or commission paid to any person associated with the lottery;
 - g. Any license fees associated with the lottery;
 - h. Any other costs associated with the conduct of the lottery but not including taxes paid pursuant to Section 9-648 of the Nebraska Revised Statutes of prizes awarded to participants.

3. Analysis of keno games in Wayne's vicinity shows an average net to the cities of between \$8-17 per person in the community. The Contractor is planning to offer a live ball draw at a brand new main game location that will have excellent food as well as the best pay table in the area. That type of a keno game in Wayne will produce revenue toward the upper end of that scale. Contractor projects the revenue to the City to be \$75,000 to \$100,000 per year. The game will not reach those figures until after the main ball draw is operational.

IV. OTHER PROVISIONS

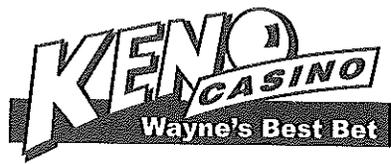
- A. Contractor agrees that within thirty (30) days following notification of the acceptance of this proposal by the City, to execute a contract, known as a Lottery Operator Agreement consistent with terms and specifications as stated above. Said contract may not be modified or altered except by mutual agreement of the Contractor and the City, but may be cancelled in the event of a change in state law rendering said contract or lottery to be illegal.

- B. Contractor agrees to hold harmless and indemnify the City of Wayne from any liability incurred by the Contractor arising out of the ownership, selection, possession, use, leasing, renting, operation, control, maintenance, delivery and installation of equipment provided by the Contractor and shall further agree to



hold harmless and indemnify the City for any and all loss, damage, injury and claims arising and/or resulting from the conduct of the lottery, including but not limited to bodily injury to third parties or damage to property, financial loss by reason of entitlement to or settlement of prizes exceeding net proceeds, failure by Contractor or its employees and agent to comply with the terms of the Lottery Operator Agreement and all injury and damage that may result from any operations or services rendered under the terms and conditions of the contract whether or not the result of negligent act or omission of Contractor.

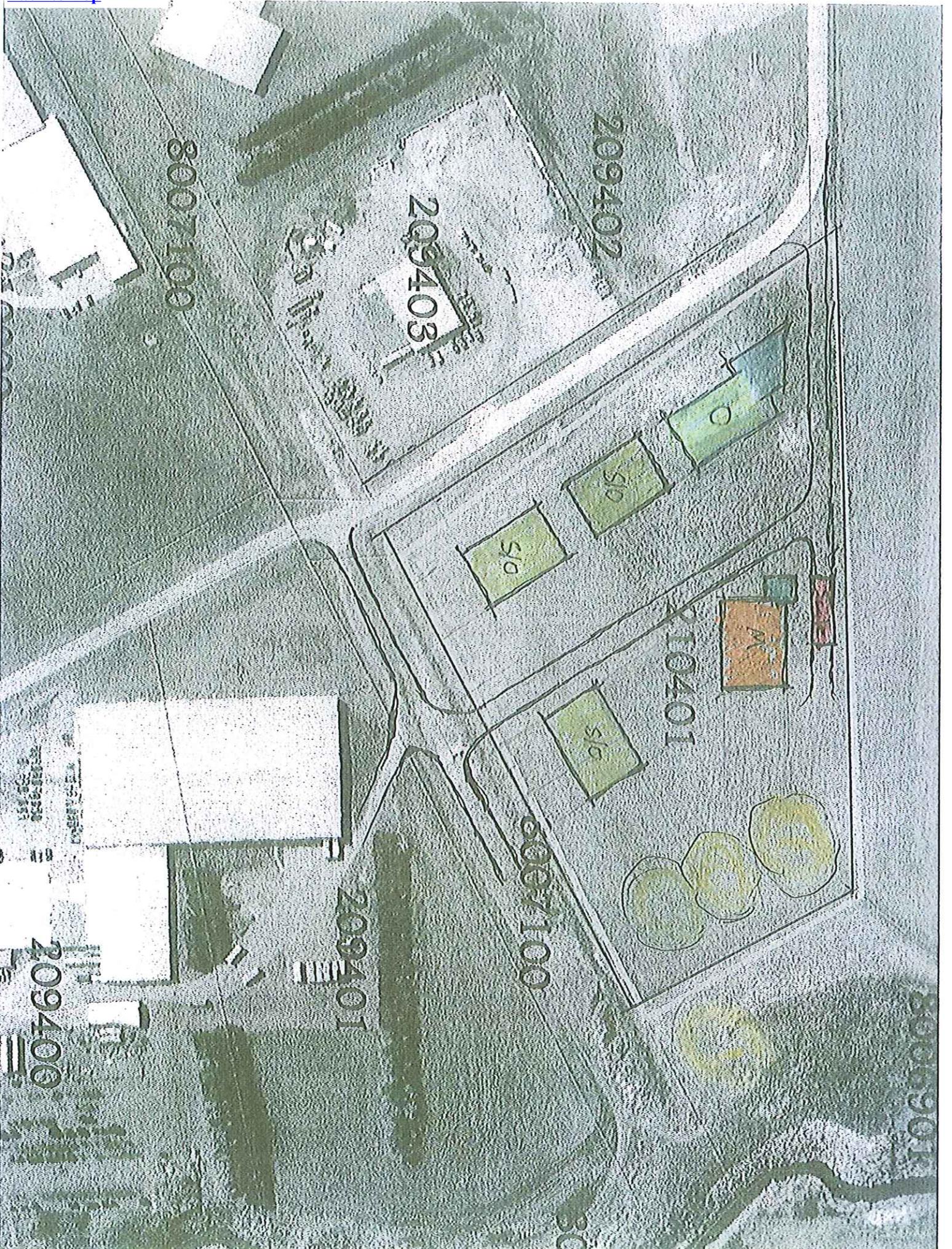
- C. The contract herein shall be personal and may not be transferred or assigned without the written consent of the City.
- D. Contractor shall not employ any subcontractor to perform any obligations, duties or responsibilities under the term of the contract without the written consent of the City.
- E. Contractor shall bear full responsibility and liability for any and all losses resulting from the awarding of prizes in the operation of the lottery and shall be solely responsible for honoring and paying all prize claims. Contractor shall hold harmless the City for the same and, as specified hereunder, for Contractor's performance of this obligation.
 - 1. Contractor shall deposit with City a cash reserve an amount equal to the top prize (\$50,000.00) that could be won in any game. This does deviate from the Request for Proposal. Said cash reserve may be in the form of an irrevocable letter of credit or other form approved by the City.
 - 2. The City shall have the right to withdraw amounts from the reserve in the event the Contractor fails for any reason to pay legitimate claims of prizes.
 - 3. Contractor shall maintain and replenish the cash reserve as necessary to maintain the proper reserve.
 - 4. The City shall bear no responsibility of liability whatsoever for any prize claims and the cash reserve is to be maintained solely for the purpose of ensuring a fair and honest lottery and to assure the financial responsibility of the Contractor.
 - 5. Not applicable to a letter of credit.
 - 6. The cash reserve shall be returned to the Contractor after all prizes and claims have been paid and settled at the termination of the Lottery Operator Agreement.
- F. The Contractor shall not discriminate on the basis of race, religion, national origin, gender or any other basis in employment practices and in lottery play



operations except that Contractor shall not employ anyone under the age of 19 as a lottery worker nor shall the Contractor allow anyone under the age of 19 years to play the lottery game. No employee shall serve alcohol without meeting the legal age requirement to do so and no person under the age of 21 shall be served alcoholic beverages.

- G. Contractor is aware that the City of Wayne reserves the right to reject any or all proposals.
- H. This proposal did deviate in that the personal financials are within this last year but are not within 60 days. Contractor does have a certified public accountant prepare the annual tax returns and a copy of that return was included. I did not include the financials in the 15 copies. They are in a separate envelope with the Clerk.

The other deviation in Contractor's proposal is that we proposed a \$50,000 letter of credit to match the top prize rather than double the top prize. Contractor did agree to post the \$50,000 performance letter of credit and is agreeable to that being for performance or prize payment.



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ORDINANCE NO. 2013-50

AN ORDINANCE ANNEXING CERTAIN REAL ESTATE TO THE CITY OF WAYNE AND EXTENDING THE CORPORATE LIMITS IN THE NORTHEAST QUADRANT OF THE CITY OF WAYNE TO INCLUDE SAID REAL ESTATE.

BE IT ORDAINED by the Mayor and Council of the City of Wayne, Nebraska:

Section 1. The City of Wayne does hereby find and declare that the following described real estate:

The boundary for land proposed for annexation is described as: Commencing at the southwest corner of Lot 1 of Kardell Industrial Park No. 2 Subdivision; thence northerly along the west line of Lot 1 of Kardell Industrial Park No. 2 Subdivision to the north side of Summerfield Drive; thence easterly along the north side of Summerfield Drive to the northwest corner of Lot 2 of Kardell Industrial Park No. 2 Subdivision; thence easterly along the north line of Lot 2 of Kardell Industrial Park No. 2 Subdivision to the west line of Lot 3 of Kardell Industrial Park No. 2 Subdivision; thence northerly along the west line of Lot 3 of Kardell Industrial Park No. 2 Subdivision to the northwest corner of Lot 3 of Kardell Industrial Park No. 2 Subdivision; thence easterly along the north line of Lot 3 of Kardell Industrial Park No. 2 Subdivision to the centerline of the Logan Creek; thence northerly and easterly along the centerline of the Logan Creek to the north line of Section 8, T26N, R4E; thence easterly along the north line of Section 8, T26N, R4E, to the northeast corner of Section 8, T26N, R4E; thence southerly along the east line of Section 8, T26N, R4E to the northeast corner of Section 17, T26N, R4E; thence southerly along the east line of Section 17, T26N, R4E, to the south side of State Highway 35; thence westerly along the south side of State Highway 35 to a point perpendicular to the centerline of Highway 35 that is adjacent to the southeast corner of Tax Lot 14 in the SW $\frac{1}{4}$ of Section 8, T26N, R4E; thence northerly along the east side of Tax Lot 14 in the SW $\frac{1}{4}$ of Section 8, T26N, R4E, to the northeast corner of Tax Lot 14 in the SW $\frac{1}{4}$ of Section 8, T26N, R4E; thence northerly to the southeast corner of Tax Lot 11 in the SW $\frac{1}{4}$ of Section 8, T26N, R4E; thence northerly along the east side of Tax Lot 11 in the SW $\frac{1}{4}$ of Section 8, T26N, R4E to the northeast corner of Tax Lot 11 in the SW $\frac{1}{4}$ of Section 8, T26N, R4E; thence northerly and westerly along the west side of Industrial Drive to the southeast corner of Lot 1 of 2nd Replat of Tompkins Industrial Tract #1 Subdivision; thence westerly along the south line of Lot 1 of 2nd Replat of Tompkins Industrial Tract #1 Subdivision to the southwest corner of Lot 1 of 2nd Replat of Tompkins Industrial Tract #1 Subdivision; thence northerly along the west line of Lot 1 of 2nd Replat of Tompkins Industrial Tract #1 Subdivision to the northwest corner of Lot 1 of 2nd Replat of Tompkins Industrial Tract #1 Subdivision; thence southerly along the east side of Lot 1 of Kardell Industrial Park No. 2 Subdivision to the southeast corner of Lot 1 of Kardell Industrial Park No. 2 Subdivision; thence westerly to the point of

beginning at the southwest corner of Lot 1 of Kardell Industrial Park No. 2 Subdivision.

is immediately adjoining and contiguous to the corporate limits of the City of Wayne, Nebraska.

Section 2. The above described real estate is annexed to the City of Wayne, Nebraska, and is declared to be within the corporate limits of the City of Wayne, Nebraska, pursuant to Section 19-916 (R.R.S. 1943).

Section 3. The corporate limits of the City of Wayne, Nebraska, are hereby extended to include said real estate.

Section 4. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 5. This ordinance shall take effect and be in full force from and after its passage, approval, and publication or posting as required by law.

PASSED AND APPROVED this 17th day of December, 2013.

THE CITY OF WAYNE, NEBRASKA

By _____
Mayor

ATTEST:

City Clerk

RESOLUTION NO. 2013-129

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WAYNE, NEBRASKA, MAKING FINDINGS AND DECLARING PORTIONS OF THE CITY TO BE BLIGHTED AND SUBSTANDARD PURSUANT TO THE NEBRASKA COMMUNITY DEVELOPMENT LAW; ORDERING PUBLICATION OF NOTICE AND OTHER MATTERS.

WHEREAS, it is desirable and in the public interest that the City of Wayne, Nebraska, a Municipal Corporation and City of the First Class, undertake and carry out urban redevelopment projects in areas of the City which are determined to be substandard and blighted and in need of redevelopment; and

WHEREAS, Chapter 18, Article 21, Nebraska Reissue Revised Statutes, as amended, known as the Community Development Law (the "Act"), is the Urban Renewal and Redevelopment Law for the State of Nebraska and prescribes the requirements and procedures for the planning implementation of urban redevelopment projects; and

WHEREAS, the City, in accordance with the Laws of the State of Nebraska applicable to cities, has duly prepared and approved a general plan for the development of the City known as its Comprehensive Plan, all as required by Section 18-2110 of the Act; and

WHEREAS, the Planning and Zoning Commission of the City has recommended that the area described in Attachment "A" (the "Study") be declared blighted and substandard and in need of redevelopment; and

WHEREAS, this Council has held a public hearing, after notice as required by Sections 18-2109 and 18-2115 of the Act and has received and duly considered evidence relating to the present condition of the areas as shown and described in the Study; and

WHEREAS, Section 18-2109 of the Act required that, prior to the preparation by the City of a redevelopment plan for a redevelopment project, this Council as governing body of the City, by Resolution, finds and determines that the area is a substandard and blighted area as defined in the Act and in need of redevelopment; and

WHEREAS, the evidence demonstrates that said area, as shown and described in the Study, constitutes a substandard and blighted area as defined in the Act, which area is in need of redevelopment.

NOW THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Wayne, Nebraska, as follows:

1. That it is hereby found and determined that the area shown and described on Attachment "A" constitutes a substandard and blighted area as defined by Section 18-2103 of the Act and that said area is in need of redevelopment.
2. That it is hereby found and determined that a substandard and blighted condition exists as set forth and discussed in the Study.
3. That such substandard and blighted condition is beyond the remedy and control solely by regulatory process and the exercise of police power and cannot be dealt with effectively by the ordinary operations of private enterprise without the aids provided by the Community Development Law. The elimination of said substandard and blighted condition under the authority of the Community Development Law is found to be a public purpose and in the public interest.
4. That it is hereby found and determined that said area is an eligible site for an urban redevelopment project under the provisions of Chapter 18, Article 21, Nebraska Revised Statutes of 2013, as amended.
5. That the City Clerk is directed to publish notice, according to law, inviting proposals from developers for the redevelopment of the area described on Attachment "A".

PASSED AND APPROVED this 17th day of December, 2013.

THE CITY OF WAYNE, NEBRASKA,

By: _____
Mayor

ATTEST:

City Clerk

WAYNE MUNICIPAL AIRPORT AUTHORITY

November 25, 2013

7:00 P.M.

The special meeting of the Airport Authority of the City of Wayne was called to order at the City Council Chambers on the above date and time by Chairman Mitchell Nissen. The following members were present: Mitchell Nissen, Jerome Conradt, Todd Luedeke, Carl Rump and David Ley. Also, attending the meeting were Nancy Braden Treasurer, Dawn Navrkal, Kyle Dahl Airport Authority Attorney, Tom Becker Airport Manager, Karma Schulte, Jim Hoffman, Dana Tompkins, Lee Wrede and David Zach.

Luedeke moved and Conradt 2nd to accept the Minutes of the November 11, 2013 Meeting. Roll was called with the following results: Yeas: Nissen, Luedeke, Conradt, Rump and Ley. Nays: None. The Chairman declared the motion carried.

Ley moved and Conradt 2nd to accept all the Claims presented as of November 25, 2013. Roll was called with the following results: Yeas: Nissen, Luedeke, Conradt, Rump and Ley. Nays: None. The Chairman declared the motion carried.

Ley moved and Luedeke 2nd to approve the purchasing of the tractor we have been leasing from Pender Implement Company for \$68,255.95 after discounts and lease credits were given. Roll was called with the following results: (We had received \$32,570.00 in insurance and sale proceeds from the sale of our old tractor.) Yeas: Nissen, Luedeke, Conradt, Rump and Ley. Nays: None. The Chairman declared the motion carried.

Luedeke moved and Conradt 2nd that we enter into a one year lease with Jason Heithold to rent the airport farmland for the 2014 crop year charging \$275/acre, holding the authority harmless for tornado related conditions and requiring no chemical use that could keep alfalfa from being planted in the future. Roll was called with the following results: Yeas: Nissen, Luedeke, Conradt, Rump and Ley. Nays: None. The Chairman declared the motion carried.

Ley moved and Rump 2nd that we table matter of hiring our airport engineer to review engineering for all nine major repaired and replaced buildings so that further study and cost analysis could be made. Roll was called with the following results: Yeas: Nissen, Luedeke, Conradt, Rump and Ley. Nays: None. The Chairman declared the motion carried.

Ley moved and Conradt 2nd that we table hanger leases and airport rules for further study including suggested rent, and content corrections including the lease addendum used in last years leases. Roll was called with the following results: Yeas: Nissen, Luedeke, Conradt, Rump and Ley. Nays: None. The Chairman declared the motion carried.

Other matters requiring the attention of the Authority were discussed and it was determined that no further formal actions on these matters were needed.

There being no further business Luedeke moved and Conradt 2nd that the meeting be adjourned. All voting in the affirmative the meeting was adjourned.

David R. Ley
Secretary

**Wayne Planning Commission Meeting Minutes
Monday, November 4, 2013**

Chair Pat Melena called the regular meeting of the Wayne Planning Commission to order at 7:00 P.M., on Monday, November 4, 2013, in the Council Chambers of the Municipal Building. Roll call was taken with the following members present: Lee Brogie, Mark Sorenson, Jeff Carstens, Breck Giese, Jessie Piper, Jill Sweetland, Chair Pat Melena, and Inspector/Planner Joel Hansen. Absent: Rachelle Rogers-Spann and Sharon Braun.

Motion was made by Commissioner Sweetland and seconded by Commissioner Brogie to approve the minutes for September 9, 2013 as presented. Chair Melena stated the motion and second. All were in favor; motion carried unanimously.

Chair Melena read the Open Meetings Act and advised that anyone desiring to speak should limit themselves to three minutes and wait until being recognized by the Chair.

Motion was made by Commissioner Sweetland and seconded by Commissioner Sorenson to forward a recommendation of approval to the City Council for the Jorgensen Subdivision to the City of Wayne, with the findings of fact being, consistency with the comprehensive plan and staff's recommendation. Chair Melena stated the motion and second, and the result of roll call being all ayes, Chair Melena declared the motion carried.

Motion was made by Commissioner Brogie and seconded by Commissioner Giese to forward a recommendation to the City Council that a Planned Unit Development (PUD) should not be allowed outside the city limits of Wayne, with the findings of fact being language in the Comprehensive Plan and the current city code. Chair Melena stated the motion and second, with Commissioners Carstens, Piper and Sweetland voting nay, Chair Melena declared the motion carried by a vote of four ayes and three nays.

Motion was made by Commissioner Sorenson and seconded by Commissioner Sweetland to forward a recommendation of approval to the City Council for the Blight and Substandard Determination Study for the area referenced to as College Hill First Redevelopment Area, with the findings of fact being as stated in Resolution No. 2013-008, 1) the Planning Commission has reviewed the Study (a copy of which is attached to this resolution as Exhibit "A") as to its conformity with the general plan for the development of the City as a whole; and 2) the Planning Commission confirms that the area described in the study meets the definition of blighted and substandard as set forth in the Act; and 3) the Planning Commission makes no other recommendation with regard to such study; and staff's recommendation. Chair Melena stated the motion and second, and the result of roll call being all ayes, Chair Melena declared the motion carried.

Motion was made by Commissioner Sorenson and seconded by Commissioner Carstens to forward a recommendation of approval to the City Council for the Redevelopment Plan the East 60 feet of Lots 1, 2, 3, 4, 5, and 6, Block 5, College Hill Addition to Wayne, also referred to as College Hill First Addition to Wayne, Wayne County, Nebraska; and the West 90 feet of Lots 1, 2, 3, 4, 5, and 6, Block 5, College Hill Addition to Wayne, also referred to as College Hill First Addition to Wayne, Wayne County, Nebraska; and the vacated portion of North Pearl Street lying North of West 13th Street and abutting on Blocks 5 and 6, College Hill Addition to Wayne, Wayne County, Nebraska, and terminating at the Northern edge of Blocks 5 and 6, College Hill Addition to Wayne, Wayne County, Nebraska, being 80 feet by 180 feet, with the findings of fact being consistency with the comprehensive plan and staff's recommendation. Chair Melena stated the motion and second, and the result of roll call being all ayes, Chair Melena declared the motion carried.

Motion was made by Commissioner Giese and seconded by Commissioner Carstens to forward a recommendation of approval to the City Council for the Blight and Substandard Determination Study for the area Referenced to as North Central Redevelopment Area, with the findings of fact being as stated in Resolution No. 2013-009, 1) The Planning Commission has reviewed the Study (a copy of which is attached to this resolution as Exhibit "A") as to its conformity with the general plan for the development of the City as a whole; and 2) The Planning Commission confirms that the area described in the study meets the definition of blighted and substandard as set forth in the Act; and 3) The Planning Commission makes no other recommendation with regard to such study; and staff's recommendation. Chair Melena stated the motion and second, and the result of roll call being all ayes, Chair Melena declared the motion carried.

Discussion was held on the current residential zoning map, with no formal action taken.

There being no further discussion, motion was made by Commissioner Sweetland and seconded by Commissioner Sorenson to adjourn the meeting. All were in favor; motion carried unanimously; meeting was adjourned.