

**MINUTES
CITY COUNCIL MEETING
April 1, 2014**

The Wayne City Council met in regular session in the north meeting room of the City Auditorium on Tuesday, April 1, 2014, at 5:30 o'clock P.M. Mayor Ken Chamberlain called the meeting to order with the following in attendance: Councilmembers Cale Giese, Rod Greve, Jon Haase, Jennifer Sievers, Nick Muir, Kaki Ley, Matt Eischeid and Jill Brodersen; City Attorney Amy Miller; City Administrator Lowell Johnson; and City Clerk Betty McGuire.

Notice of the convening meeting was given in advance by advertising in the Wayne Herald on March 20, 2014, 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 Haase, whereas, the Clerk has prepared copies of the Minutes of the meeting of March 18, 2014, 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: AMAZON.COM, SU, 580.96; AMERITAS, SE, 1886.86; APPEARA, SE, 148.08; AS CENTRAL SERVICES, SE, 448.00; BANK FIRST, FE, 120.00; BLACK HILLS ENERGY, SE, 1101.18; BOMGAARS, SU, 398.10; CITY EMPLOYEE, RE, 145.02; BROWN SUPPLY, SU, 1317.48; BW PLUS GRAND ISLAND INN, SE, 340.00; CENTURYLINK, SE, 352.26; CHILD SUPPORT, RE, 100.00; CITY OF NORFOLK, SE, 43.05; CITY OF WAYNE, RE, 850.00; CITY OF WAYNE, RE, 125.00; CITY OF WAYNE, PY, 58706.41; COMMUNITY HEALTH, RE, 4.00; CUMMINS CENTRAL POWER, SU, 3784.20; DANKO EMERGENCY

EQUIPMENT, SU, 1704.75; DE LAGE LANDEN FINANCIAL, SE, 77.00; DEARBORN NATIONAL LIFE, SE, 92.88; DISCOUNT FURNITURE, SU, 199.95; ECHO GROUP, SU, 18.82; EMPLOYERS MUTUAL CASUALTY, RE, 363.21; ENVIRONMENTAL SYSTEM, SE, 1400.00; FIREMEN, RE, 400.00; FIRST CONCORD GROUP, RE, 3271.64; FLOOR MAINTENANCE, SU, 53.15; CITY EMPLOYEE, RE, 99.84; GEMPLER'S, SU, 70.00; GROSSENBURG IMPLEMENT, SU, 302.27; CITY EMPLOYEE, RE, 150.00; ICMA, RE, 6769.64; IRS, TX, 21798.26; JOHNSTONE SUPPLY, SU, 42.08; JULIE OSNES, SU, 47.80; KELLY MEYER, SU, 475.00; KIRKHAM MICHAEL, SE, 7475.00; MARRIOTT HOTELS, SE, 773.00; MELYSSA DECK, SE, 70.00; NNEDD, SE, 585.00; CITY EMPLOYEE, RE, 111.57; NE DEPT OF REVENUE, TX, 3133.41; NE EXPRESSWAYS, SE, 883.44; NE PUBLIC HEALTH, SE, 842.00; NO SWEET FENCING, SU, 77599.00; N.E. NE AMERICAN RED CROSS, RE, 29.62; NORTHWEST ELECTRIC, SU, 524.99; OVERDRIVE, INC., SU, 1024.36; OVERHEAD DOOR, SU 153.70; PROFORMA, SU, 471.48; PUSH-PEDAL-PULL, SU, 182.64; QUILL, SU, 795.16; SOOLAND BOBCAT, SU, 31.62; THE PENDER TIMES, SU, 38.75; TYLER TECHNOLOGIES, SE, 200.00; UNITED WAY, RE, 6.20; US BANK, SU, 3876.24; VERIZON, SE, 123.66; VIAERO, SE, 250.69; VOSS LIGHTING, SU, 114.00; WATERLINE ENVIROTECH, SU, 362.58; WAYNE COUNTRY CLUB, RE, 1597.80; WAYNE HERALD, SU, 48.00; WESCO, SU, 351.45; WISNER WEST, SU, 217.20; AMERICAN BROADBAND, SE, 528.88; APPEARA, SE, 68.83; BARRACUDA NETWORKS, SE, 140.00; BLACK HILLS ENERGY, SE, 132.88; BROWN SUPPLY, SU, 81.20; CARHART LUMBER, SU, 608.13; CITY OF WAYNE, RE, 500.00; CITY OF WAYNE, RE, 1022.00; CITY OF WAYNE, RE, 216.33; CLEAN TO A T, SE, 1300.00; COUNTRY NURSERY, SE, 52.00; EASYPERMIT POSTAGE, SU, 1990.04; ECHO GROUP, SU, 449.52; FLOOR MAINTENANCE, SU, 175.13; GILL HAULING, SE, 155.00; JEO CONSULTING GROUP, SE, 160.00; MILO MEYER CONSTRUCTION, SE, 1780.00; NATL LEAGUE OF CITIES, FE, 1117.00; NE NEB INS AGENCY, SE, 70236.00; NNPPD, SE, 4277.00; OLSSON ASSOCIATES, SE, 5919.92; PIEPER & MILLER, SE, 1673.00; QUILL, SU, 506.17; SCHMADER ELECTRIC, SE, 110655.00; SIMPLEXGRINNELL, SU, 128.22; SKARSHAUG TESTING LAB, SE, 142.90; STADIUM SPORTING GOODS, SU, 1434.00; TRANS-IOWA EQUIPMENT, SU, 147848.00; VERIZON WIRELESS SERVICES, SE, 102.10; WAYNE BASEBALL ASSOCIATION, SU, 100.00; WISNER WEST, SU, 160.19

Councilmember Sievers made a motion, which was seconded by Councilmember Ley, 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 City Auditorium 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.

Discussion again took place on a request by the Wayne County Agricultural Society for financial assistance on two past due bills totaling \$2,263.83 for the fairgrounds. They have an underground water leak that has not yet been fixed. The water has been shut off. Because they are a commercial sewer user, their sewer is based off of what goes through the water meter. The Ag Society pays double water and sewer rates because they are outside city limits.

Dave Jaeger and Kevin Davis, representing the Wayne County Agricultural Society, were present to answer questions. They would like the double rates reduced to the single rate for these two bills. When the sewer pit was checked, it was dry, which leads them to believe that the water is not going down the sewer.

The City will be contacting the Nebraska Rural Water Association to do leak detection throughout the City and will include checking the fairgrounds at that time.

Councilmember Eischeid again stated that this would set precedence if they reduce the bill to the Ag Society. Councilmember Sievers agreed.

Councilmember Brodersen disagreed.

Councilmember Giese stated if the Council was concerned about setting a precedence, then consideration could be given to waiving only the sewer charges, because the sewer line was dry.

After discussion, a motion was made by Councilmember Giese, and seconded by Councilmember Brodersen, directing staff to forgive the sewer bill for the Wayne County Ag Society on their current months (October 1st and November 1st bills - \$1,649.18).

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

Attorney Mike Bacon of Gothenburg gave a presentation on Tax Increment Financing.

Councilmember Sievers introduced Ordinance 2014-6, and moved for approval of the third and final reading thereof; Councilmember Haase seconded.

ORDINANCE NO. 2014-6

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 (INDUSTRIAL PARK AREA).

Mayor Chamberlain stated the motion, and the result of roll call being five Nays (Giese, Greve, Ley, Eischeid and Brodersen) and three Yeas (Haase, Sievers and Muir), the Mayor declared the motion failed.

Councilmember Eischeid then introduced Ordinance 2014-6, and moved for approval of the third and final reading thereof, but to exclude the property formerly known as Pacific Coast Feather; Councilmember Brodersen seconded.

ORDINANCE NO. 2014-6

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 (INDUSTRIAL PARK AREA).

Mayor Chamberlain stated the motion, and the result of roll call being six Yeas (Giese, Greve, Muir, Ley, Eischeid and Brodersen) and two Nays (Haase and Sievers), the Mayor declared the motion carried.

Councilmember Sievers introduced Ordinance 2014-7, and moved for approval of the third and final reading thereof; Councilmember Eischeid seconded.

ORDINANCE NO. 2014-7

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 (HERMAN COMMERCIAL SUBDIVISION).

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

Councilmember Ley introduced Ordinance 2014-8, and moved for approval of the second reading thereof; Councilmember Eischeid seconded.

ORDINANCE NO. 2014-8

AN ORDINANCE ESTABLISHING ANNUAL SALARY FOR MAYOR AND CITY COUNCILMEMBERS, REPEALING CONFLICTING ORDINANCES, AND ESTABLISHING 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.

Mayor Chamberlain declared the time was at hand for the public hearing on the Application for Community Development Block Grant Funds on behalf of Ken Jorgensen in the amount of \$300,000 for the construction of a sports bar/restaurant to be located at 1007 E. 7th Street.

This application is for a loan from the original Wayne Revolving Loan fund. The sources of the original dollars in that revolving loan fund were previous economic development block grant funds given to the City of Wayne from the Nebraska Department of Economic Development for the Timpte Trailer, Dairy Farm and other

former projects. The City of Wayne loaned the CDBG grant funds to those new businesses, which then paid those loans back to the city's revolving loan fund over time. Since then, Wayne Industries and the City of Wayne have been re-loaning those original funds back out to other local business start-ups and expansions. In 2012, the Nebraska Department of Economic Development gave notice to Wayne and all other Nebraska towns that they either wanted their CDBG funds back, or we could transfer control of our revolving loan fund to Northeast Nebraska Economic Development District (NNEDD). We would then have to make application to NNEDD to access those funds. Wayne currently has an unused revolving loan fund balance with NNEDD of about \$500,000. The City Council is required to approve this loan application before they can access any of those funds. This project has \$260,000 in TIF funds proposed, but not yet approved, and a \$250,000, fifteen year LB840 Economic Development loan that has been approved. The total project cost is estimated to be about \$2 million.

Tom Higginbotham, representing Northeast Nebraska Economic Development District, was present to answer questions. The District has approved this loan, with the terms being for ten years at 4.5% interest. These monies are used to fill the "gap."

Ken Jorgensen was present to answer questions.

Wes Blecke spoke and stated that any way we can get these monies into the hands of NNEDD is much better than just letting it sit in the City's coffers, and taking the risk of the State taking it back.

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

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

Councilmember Giese introduced Resolution No. 2014-31 and moved for its approval; Councilmember Haase seconded.

RESOLUTION NO. 2014-31

A RESOLUTION AUTHORIZING CHIEF ELECTED OFFICIAL TO SIGN AN APPLICATION FOR COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS.

Councilmember Eischeid stated he did not like the pressure the Council gets from those applying for these grants that the projects will not happen if the Council doesn't approve these grants.

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 on the Application for the Nebraska Affordable Housing Program Grant for Angel Village.

Alyssa Silhacek, Community Planner for the NNEDD, stated this grant will be for \$603,100, of which \$120,000 will be used for acquisition of vacant land, \$391,200 for housing rental/new construction of six units, \$51,100 for housing management, and \$40,800 for general administration. The total project cost is \$3,799,800, with local matching funds of \$3,196,700 provided by the Developer and the City. The City is the applicant on behalf of Lou Bencoter. Mr. Bencoter is the sub-recipient.

Lou Bencoter was present to answer questions.

Councilmember Eischeid questioned the timeframe allowed for constructing the project and whether or not it is doable.

It was noted that the grant period is 36 months. The timeframe for constructing the project (20 units) will be less than that because of the red tape that has to be gone through.

Mayor Chamberlain responded that he thought the grant funds would be prorated if that happens – for example, if only 60% of the project is completed within the timeframe, then 40% of the funds need to be returned.

Mr. Benscoter stated that they just completed a house in 90 days and he is not worried about meeting the deadline.

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

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

Councilmember Brodersen introduced Resolution No. 2014-32 and moved for its approval; Councilmember Sievers seconded.

RESOLUTION NO. 2014-32

A RESOLUTION AUTHORIZING CHIEF ELECTED OFFICIAL TO SIGN AN APPLICATION FOR NEBRASKA AFFORDABLE HOUSING PROGRAM FUNDS.

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

Mayor Chamberlain stated the following ordinance will amend sections of the code regarding the Civil Service Commission. He is proposing to increase the number of commission members from three to five.

Councilmember Eischeid introduced Ordinance 2014-11, and moved for its approval thereof; Councilmember Ley seconded.

ORDINANCE NO. 2014-11

AN ORDINANCE AMENDING WAYNE MUNICIPAL CODE CHAPTER 26 CIVIL SERVICE, ARTICLE III CIVIL SERVICE COMMISSION, SECTION 26-81 CREATED AND SECTION 26-89 QUORUM; 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 second reading will take place at the next meeting.

Nancy Braden, Finance Director, reviewed the Investment Policy and the changes and/or revisions that have taken place over the past several years thereto. This request came from the Council retreat in January.

In regard to the improvements being made at the softball complex, Alex Koch, Recreation Director, and the Recreation & Leisure Services Commission have requested that the Council consider allocating monies out of the Electric Fund to complete the lighting of all four fields (\$137,822) and the remainder of the cost to relocate the fields, install an irrigation system and add double fencing from the Sales Tax Capital Projects Fund (\$138,000). Insurance and contributions will pay most, but not all, of the cost of rebuilding the complex. Having all four fields lit will provide the opportunity to hold state tournaments.

Mayor Chamberlain concurred with their recommendation and thought this was a good use of the funds.

Alex Koch, Recreation Director, and Doug Carroll were present to answer questions.

Councilmember Sievers made a motion, which was seconded by Councilmember Ley, to allocate monies from the electric fund to pay for the softball complex lighting, with the remainder of the funds needed coming from the capital projects fund. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, the Mayor declared the motion carried.

Mayor Chamberlain stated that, at the direction of Council at the last meeting, staff contacted several first class cities to find out the time frame they use for updating their comprehensive plans. The majority update them every ten years. This step is not hiring a firm to do this, but just soliciting proposals.

Councilmember Ley made a motion, which was seconded by Councilmember Muir, directing staff to work with the Planning Commission to solicit consultants to revise the City's Comprehensive Plan. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, with the exception of Councilmember Eischeid who voted Nay, the Mayor declared the motion carried.

Discussion took place in regard to having the Rugby Team clean out Logan Creek in exchange for storing their equipment in the new building that will be built at the sports complex.

Mayor Chamberlain stated the County had offered assistance with this. Administrator Johnson stated he has not yet talked with Darrin Barner about this.

Councilmember Brodersen made a motion, which was seconded by Councilmember Eischeid, directing staff to make an offer to the Rugby Team to clean Logan Creek. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, the Mayor declared the motion carried.

Councilmember Giese made a motion, which was seconded by Councilmember Sievers, 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 8:11 p.m.