

**MINUTES
CITY COUNCIL MEETING
August 5, 2014**

The Wayne City Council met in regular session at City Hall on Tuesday, August 5, 2014, 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 Attorney Eric Knutson; City Administrator Lowell Johnson; and City Clerk Betty McGuire. Absent: Councilmember Cale Giese.

Notice of the convening meeting was given in advance by advertising in the Wayne Herald on July 24, 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 meetings of July 15, and July 22, 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, with the exception of Councilmembers Giese who was absent, the Mayor declared the motion carried and the Minutes approved.

The following claims were presented to Council for their approval:

CORRECTIONS TO CLAIMS LIST OF 6/17/14: DELETE GUARANTEE ROOFING- POWER PLANT ROOF REPAIR, 207.00

VARIOUS FUNDS: 4IMPRINT, SU, 1048.66; ADVANCED CONSULTING, SE, 500.00; AMERICAN BROADBAND, SE, 2532.04; AMERITAS, SE, 4597.91; APPEARA, SE, 290.93; ARNIE'S FORD-MERCURY, SE, 431.31; AS CENTRAL SERVICES, SE, 448.00; ATCO INTERNATIONAL, SU, 55.20; BANK FIRST, FE,

120.00; BARCO MUN PRODUCTS, SU, 562.54; BLACK HILLS ENERGY, SE, 258.67; BLUETARP FINANCIAL, SU, 42.93; BOMGAARS, SU, 1465.86; BRIAN LOBERG, RE, 150.00; BROWN SUPPLY, SU, 661.93; BSN SPORTS, SU, 229.55; CARHART LUMBER COMPANY, SU, 1407.52; CASEY ELECTRIC, SE, 502.75; CENTURION TECHNOLOGIES, SE, 50.00; CENTURYLINK, SE, 314.59; CHARGEPOINT, SE, 255.00; CHEMQUEST, SE, 595.00; CHILD SUPPORT, RE, 100.00; CITY OF NORFOLK, SE, 107.62; CITY OF WAYNE, SU, 126.46; CITY OF WAYNE, RE, 425.00; CITY OF WAYNE, RE, 450.00; CITY OF WAYNE, PY, 87825.89; CITY OF WAYNE, RE, 739.06; CITY OF WAYNE, RE, 172.31; CLAUSSEN, HEATHER, SE, 280.00; COLONIAL RESEARCH, SU, 24.00; COMMUNITY HEALTH, RE, 4.00; CURTIS REESE, SE, 368.00; DANKO EMERGENCY EQUIPMENT, SU, 310.00; DE LAGE LANDEN FINANCIAL, SE, 77.00; DEARBORN NATIONAL LIFE, SE, 92.88; DODGE COUNTY, RE, 129.04; ECHO GROUP, SU, 153.40; ED. M FELD EQUIPMENT, SU, 782.25; EDM PUBLISHERS, SU, 99.00; EGAN SUPPLY, SU, 353.37; ERNEST E PING, SE, 714.00; FIRST CONCORD GROUP, SU, 3331.64; FLOOR MAINTENANCE, SU, 410.95; FORCE FLOW, SU, 97.33; GERHOLD CONCRETE, SU, 339.54; GROSSENBURG IMPLEMENT, SU, 458.94; HAWKINS, SU, 2729.98; HD SUPPLY WATERWORKS, SU, 2682.25; HEARTLAND NATURAL GAS, SU, 141.04; CITY EMPLOYEE, RE, 47.89; HELENA CHEMICAL, SU, 233.75; HOMETOWN LEASING, SE, 259.98; ICMA, RE, 7200.20; IN THE SWIM, SU, 87.91; IRS, TX, 34118.79; JEO CONSULTING GROUP, SE, 4774.50; JOHN KINNETT, RE, 500.00; KANSAS TRACTOR PARTS, SU, 116.16; KEN JORGENSEN, RE, 250000.00; KRIZ-DAVIS, SU, 965.04; L.G. EVERIST, SU, 1187.22; LANGEMEIER, WAYNE, SE, 412.50; METRO AREA PLANNING AGENCY, SE, 1500.00; MICHAEL TODD & CO, SU, 1130.12; MUNICIPAL SUPPLY, SU, 152.77; N.E. NEB ECONOMIC DEV DIS, SE, 60.00; NE DEPT OF REVENUE, TX, 4807.58; NE DEPT OF ROADS, SE, 17177.70; NE PUBLIC HEALTH, SE, 63.00; NE SAFETY COUNCIL, SE, 150.32; NPPD, SE, 352124.73; N.E. NE AMERICAN RED CROSS, RE, 29.62; NNPPD, SE, 6353.00; O'KEEFE ELEVATOR COMPANY, SE, 844.00; O'REILLY AUTOMOTIVE STORE, SU, 8.38; OLSSON ASSOCIATES, SE, 1933.29; PITNEY BOWES, SU, 648.00; POLLARD PUMPING, SE, 990.00; QUILL, SU, 339.03; RON'S RADIO, SE, 8567.00; SIOUXLAND TURF PRODUCTS, SU, 1500.00; STEVE LAMOUREX, SE, 64.00; STURM, DOUGLAS, RE, 500.00; SUMMER SPORTS COMPLEX, SU, 443.63; T & S TRUCKING, SE, 429.76; TYLER TECHNOLOGIES, SE, 16464.07; UNITED WAY, RE, 6.20; US BANK, SU, 4742.08; VAKOC BUILDER'S RESOURCE, SU, 7.99; VAKOC CONSTRUCTION, SU, 734.99; VAN DIEST, SU, 750.00; VERIZON, SE, 100.08; VIAERO, SE, 257.42; WAED, RE, 833.33; WAYNE COMMUNITY SCHOOLS, RE, 4929.50; WAYNE COUNTY COURT, RE, 300.00; WESCO, SU, 508.01; WEST-E-CON, SU, 19757.10; WINGATE INN, SE, 359.80; BIG T ENTERPRISES, SU, 983.60; CITY EMPLOYEE, RE, 172.82; CARROLL DISTRIBUTING, SU, 530.45; CHARTWELLS, SE, 6926.32; CITY OF WAYNE, RE, 85.00; CITY OF WAYNE, RE, 282.67; CLAUSSEN & SONS IRRIG., SE, 210.90; CLEAN TO A T, SE, 1300.00; COPY WRITE, SE, 281.13; DUTTON-LAINSON, SU, 271.28; ED. M FELD EQUIPMENT, SE, 764.25; FREDRICKSON OIL, SE, 134.40; GERHOLD CONCRETE, SU, 467.25; GILL HAULING, SE, 155.00; GUARANTEE

ROOFING, SE, 207.00; HEFTI TRUCKING, RE, 50000.00; JASON CAROLLO, SE, 175.00; JOHN'S WELDING AND TOOL, SE, 22.45; KANSAS TRACTOR PARTS, SU, 116.16; KRIZ-DAVIS, SU, 639.00; LEAGUE OF NEBRASKA, FE, 6312.00; LINCOLN CLUTCH & BRAKE, SU, 124.50; LOGO ZOO, SU, 634.50; CITY EMPLOYEE, RE, 53.48; NNEDD, SE, 5589.03; NORTHEAST TIRE SERVICE, SE, 126.48; O'REILLY AUTOMOTIVE STORE, SU, 84.00; ODEYS, SU, 457.70; ONE CALL CONCEPTS, SE, 106.60; PAC N SAVE, SU, 48.96; PIEPER & MILLER, SE, 3101.00; PLUNKETT'S PEST CONTROL, SE, 175.18; QUILL, SU, 359.51; SHOPKO, SU, 115.83; STALP GRAVEL, SU, 886.82; STATE NEBRASKA BANK, SE, 65.52; UTILITIES SECTION, FE, 2707.00; VAKOC CONSTRUCTION, SU, 321.41; VAN DIEST SUPPLY, SU, 136.38; VIC'S ENGINE SERVICE, SU, 935.96; WASTE CONNECTIONS, SE, 354.96; WAYNE COUNTY CLERK, SE, 642.00; WAYNE GROCERY, SU, 10.34; WAYNE VETERINARY CLINIC, SE, 700.00; WAPA, SE, 34362.45; ZACH HEATING & COOLING, SE, 918.98

Councilmember Sievers made a motion, which was seconded by Councilmember Ley, to approve the claims, with the exception of the claim to Claussen & Sons Irrigation for \$210.90. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, with the exception of Councilmember Giese who was absent, the Mayor declared the motion carried.

Mayor Chamberlain advised the public that a copy of the Open Meetings Act was located on the south wall of the 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.

Administrator Johnson stated that a Domestic Well Permit Application was received from Todd Luedeke. This is a domestic well and will pump 20/50 gpm. In the past, if there have been no issues with the location of the domestic wells, an engineering study has not been required. Recommendation is to approve the same without the engineering study.

Mr. Luedeke was not present to answer questions.

Councilmember Sievers made a motion, which was seconded by Councilmember Muir approving the Domestic Well Permit Application of Todd Luedeke and his request to waive the requirement for a water impact study. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, with the exception of Councilmember Giese who was absent, the Mayor declared the motion carried.

Administrator Johnson stated City Code prohibits septic systems within city limits. When Kelby Herman's property was annexed, he requested a 3-year delay to hook up to the City's sewer system. The same was granted. That time has now expired and Mr. Herman is requesting a 60-day extension.

Councilmember Sievers made a motion, which was seconded by Councilmember Brodersen, approving the request of Kelby Herman for a sixty day extension to hook up to the City's sewer system. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, the Mayor declared the motion carried.

David and Jerrae Braun were present in regard to their request for an extension on the balloon payment that is now due on their Wayne Revolving Loan.

Councilmember Brodersen made a motion, which was seconded by Councilmember Eischeid, to enter into executive session so as to prevent the needless injury to the reputation of David and Jerrae Braun to discuss the financial matters of their Wayne Revolving Loan, and to allow Matt Ley, David and Jerrae Braun, City Attorney Knutson, City Administrator Johnson, City Clerk McGuire and Finance Director Nancy Braden to be in attendance. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, with the exception of Councilmember Giese who was absent, the Mayor declared the motion carried, and executive session began at 5:35 p.m.

Mayor Chamberlain again stated that the matter to be discussed in execution session pertains to the Wayne Revolving Loan of David and Jerrae Braun.

Councilmember Brodersen made a motion, which was seconded by Councilmember Sievers, to resume open session. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, with the exception of Councilmember Giese who was absent, the Mayor declared the motion carried, and open session resumed at 5:50 p.m.

Councilmember Sievers made a motion, which was seconded by Councilmember Haase, approving the extension of the Wayne Revolving Loan of David and Jerrae Braun for an additional eight years. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, with the exception of Councilmember Giese who was absent, the Mayor declared the motion carried.

Wes Blecke, Executive Director of WAED, was present and advised the Council that the LB840 Sales Tax Advisory Committee met and reviewed an application to Wayne's Economic Development Program Fund. The applicant, Tim Fertig, requested a \$50,000 loan to be amortized for 15 years at 3% interest. These funds will be used to help with the startup costs of opening a new Crossfit gym in downtown Wayne. The Committee met, and the terms the Committee agreed to include a \$50,000 loan at 3% interest, amortized for 15 years with a 10-year balloon, with the proceeds being utilized for capital improvements to the real estate and to be paid out as expenses are incurred.

Administrator Johnson stated he had requested the Committee to get a business plan through Loren Kucera.

Mr. Blecke stated Mr. Fertig worked with Stephanie Liska on a business plan. He gave a copy of the same to Administrator Johnson to review. Mr. Fertig had met with the LB840 Sales Tax Advisory Committee two times, and all of their prerequisites had been met.

The Council had not been given a copy of the business plan to review.

Discussion took place on whether or not the architectural committee needed to review this before any renovations are made. Mr. Fertig stated his goal is to have the building blend in and look like it is part of the downtown.

Administrator Johnson reminded the Council that what they had previously passed was that any city incentives would go before the architectural review committee.

Administrator Johnson thought the amount of funds Mr. Fertig was contributing to the project (\$19,000) was thin, and he recommended, again, having Loren Kucera do a review of the business plan that Mr. Fertig provided.

Councilmember Sievers made a motion, which was seconded by Councilmember Eischeid, approving the recommendation of the LB840 Sales Tax Advisory Committee for a \$50,000 loan, amortized for fifteen years at 3% interest, with a balloon at 10 years, to Tim Fertig. Mayor Chamberlain sated the motion, and the result of roll call being all Yeas, with the exception of Councilmember Giese who was absent, and Councilmember Haase who voted Nay, the Mayor declared the motion carried.

Councilmember Sievers introduced Ordinance No. 2014-24, and moved for approval of the second reading thereof; Councilmember Eischeid seconded.

ORDINANCE NO. 2014-24

AN ORDINANCE AMENDING WAYNE MUNICIPAL CODE, CHAPTER 90, ARTICLE V BUSINESS AND COMMERCIAL DISTRICTS, DIVISION 3 B-3 NEIGHBORHOOD COMMERCIAL DISTRICTS, BY ADDING SECTION 90-432 PERMITTED CONDITIONAL USES; TO REPEAL CONFLICTING ORDINANCES AND SECTIONS; AND TO PROVIDE FOR AN EFFECTIVE DATE.

Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, with the exception of Councilmember Giese who was absent, the Mayor declared the motion carried. The third and final reading will take place at the next meeting.

Staff, at the direction of Council from the previous meeting, prepared a draft ordinance amending the times of when fireworks can be discharged. The said ordinance died for lack of a motion.

Administrator Johnson stated the following Resolution would establish the sewer hookup fees for the “Kardell Sanitary Sewer Extension” and “Chief’s Way Sanitary Sewer Extension” projects. The total cost for these two sewer extension projects was \$372,585.64.

Mayor Chamberlain stated that a number of these properties will never get hooked up to the city sewer system (e.g. Plant Market which is now a parking lot for Grossenburg Implement).

Administrator Johnson was requesting Council to add the following additional language to the proposed Resolution:

Section 3. If any lot included in the calculations of Attachment A is merged with another lot also included in the calculations of Attachment A, the hook-up fee will become the total calculated for the two lots.

Section 4. If a building built on a lot that is included in the calculations of Attachment A is connected to the sanitary sewer through another building on a lot being served by the Chief’s Way sanitary sewer, the hook-up fee

for the second lot that is connected through the building on the first lot will become due as calculated in Attachment A.

These costs are being recouped on behalf of the Wayne ratepayers. Administrator Johnson stated there are a couple of property owners who do not like these costs and have stated they will install septic systems.

Since the proposed Resolution does not include a repayment time or an interest rate, Administrator Johnson asked Council to table the same. The additional language will be inserted/included, as well as a repayment timeframe of 10 years at 3% interest.

Councilmember Muir made a motion, which was seconded by Councilmember Sievers to table action on Resolution 2014-62 establishing sewer hook-up fees for the “Kardell Sanitary Sewer Extension” and “Chief’s Way Sanitary Sewer Extension” Projects. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, with the exception of Councilmember Giese who was absent, the Mayor declared the motion carried.

Councilmember Muir made a motion, which was seconded by Councilmember Haase to table action on Resolution 2014-63 establishing water hook-up fees for the “Chief’s Way Water Main Extension” Project. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, with the exception of Councilmember Giese who was absent, the Mayor declared the motion carried.

The following Resolution would allocate \$64,000 in property tax to the Wayne Municipal Airport Authority. This is an annual request that the Airport Authority makes to the Council. This amount represents about \$.035 of the \$.45 property tax allocation that the City could receive. Last year’s allocation was also \$64,000.

Councilmember Sievers introduced Resolution No. 2014-64 and moved for its approval; Councilmember Greve seconded.

RESOLUTION NO. 2014-64

A RESOLUTION AUTHORIZING THE ALLOCATION OF PROPERTY TAXES TO THE WAYNE AIRPORT AUTHORITY.

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

Administrator Johnson stated we have received what is called an “Engagement Letter” from D.A. Davidson & Co. This must be approved and signed to be able to get assistance from them in preparing the necessary ballot language for the proposed new swimming pool project.

Councilmember Sievers made a motion, which was seconded by Councilmember Greve, approving the Engagement Letter with D.A. Davidson & Co., dated August 5, 2014, to provide underwriting services. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, with the exception of Councilmember Giese who was absent, the Mayor declared the motion carried.

Administrator Johnson stated that Change Order No. 1 for \$5,226.50 on the “13th Street Sanitary Sewer Extension Project” represents the overage of quantities due to the moving of the manhole location. The manhole was moved because of conflicts with the water main and other utilities. The project engineer has approved the same.

Councilmember Brodersen made a motion, which was seconded by Councilmember Ley, approving Change Order No. 1 for \$5,226.50 for the “13th Street Sanitary Sewer Extension Project.” Mayor Chamberlain stated the motion, and the result

of roll call being all Yeas, with the exception of Councilmember Giese who was absent, the Mayor declared the motion carried.

A pay request has been received from Robert Woehler & Sons Construction for the “13th Street Sanitary Sewer Extension Project” for \$23,671.00. The engineer on the project has approved the same.

Councilmember Brodersen made a motion, which was seconded by Councilmember Muir, approving Pay Application No. 1 for \$23,671.00 to Robert Woehler & Sons Construction for the “13th Street Sanitary Sewer Extension Project.” Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, with the exception of Councilmember Giese who was absent, the Mayor declared the motion carried.

Administrator Johnson stated that Change Order No. 1 represents a request for a 21-day extension for the “Highway 15 and 10th Street Intersection Project.” This is due to the delay in getting the Nebraska Department of Roads’ approval on the project. This will move the completion date from August 1st to August 22nd.

Councilmember Muir made a motion, which was seconded by Councilmember Brodersen, approving Change Order No. 1 (21-day extension) for the Highway 15 and 10th Street Intersection Project. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, with the exception of Councilmember Giese who was absent, the Mayor declared the motion carried.

Mayor Chamberlain requested Council consideration to approving the appointment of the following people to the “Hank Overin Field Grandstand Community Citizen Committee:”

Steve Lutt, Dallas Dorey, Jeff Zeiss, Josh Johnson, Alex Koch, Mike Carnes, Cassie Harm, Adam Hoffman, Pat Melena and Joel Hansen

Councilmember Muir made a motion, which was seconded by Councilmember Sievers, approving the appointment of Steve Lutt, Dallas Dorey, Jeff Zeiss, Josh Johnson, Alex Koch, Mike Carnes, Cassie Harm, Adam Hoffman, Pat Melena and Joel Hansen to the “Hank Overin Field Grandstand Community Citizen Committee.” Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, with the exception of Councilmember Giese who was absent, the Mayor declared the motion carried.

Nancy Braden, Finance Director, presented the proposed 2014-2015 budget.

Council reviewed the General Fund Revenue Sources and Expenditures along with the Utility Revenue Sources and Expenditures for the upcoming FY2014-2015 Budget.

Some of the items Council discussed were as follows:

- Property taxes - \$664,000 – this retains the same mill levy as last year. The increase from last year is due to the property valuation increases. The general fund, plus the airport, can have a maximum levy of \$.45. If the Community Redevelopment Authority would come forward and ask for a portion of the mill levy, that would have to come out of the \$.45 also. Debt service is outside the \$.45.
- The franchise fees for electric will be increased from 8.5% to 10.5%; water will be increased from 7% to 8%; and sewer will stay the same at 7%.
- Increase the Community Activity Center fees by 10%.
- Take out the sidewalk project from Hank Overin Field to the Summer Sports Complex (\$30,000), and put \$15,000 of that back into the Fire Department’s budget for their air packs.
- Budget assumes a 2% cost of living increase for employees.
- Increase police dispatch fees for Wayne County from \$36,000 to \$72,000, with the same being reviewed annually. This fee has been the same since the 2005-2006 fiscal year.
- Add back in the 8th Police Officer position.
- Decrease police professional services from \$50,000 to \$30,000.

- Renovate the Bressler Park bathrooms before the 2015 Chicken Show.
- Recreation fees need to be increased, and the need to rely on more volunteer coaching.
- Increasing the employee's percentage of the health insurance premium as well as deductibles in 2015 and 2016. (Employee from 2.5% to 10% in 2015 and then to 20% in 2016; Family from 10% to 20% in 2015 and then to 30% in 2016; with deductibles being \$1000 single/\$2000 family in 2015 and \$1500 single/\$3000 family in 2016).

Councilmember Eischeid made a motion, which was seconded by Councilmember Muir, to adjourn the meeting. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, with the exception of Councilmember Giese who was absent, the Mayor declared the motion carried and the meeting adjourned at 10:25 p.m.