

**MINUTES
CITY COUNCIL MEETING
February 5, 2008**

The Wayne City Council met in regular session at City Hall on Tuesday, February 5, 2008, at 5:30 o'clock P.M. Mayor Lois Shelton called the meeting to order with the following in attendance: Councilmembers Brian Frevert, Don Buryanek, Dale Alexander, Doug Sturm, Kaki Ley, and Ken Chamberlain; City Attorney Mike Pieper; City Administrator Lowell Johnson; and City Clerk Betty McGuire. Absent: Councilmembers Verdel Lutt and Darrel Fuelberth.

Notice of the convening meeting was given in advance by advertising in the Wayne Herald on January 24, 2008, 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 Buryanek made a motion and seconded by Councilmember Alexander, whereas the Clerk has prepared copies of the Minutes of the meetings of January 15, 2008, and January 18 and 19, 2008, 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 Shelton 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:

ADDITIONS TO CLAIMS LISTING OF JANUARY 15,2008: CITY OF WAYNE, RE, 55.00; CITY OF WAYNE, RE, 69.09; CITY OF WAYNE, SE, 120.00; DELETE: **VARIOUS FUNDS:** ALLTEL, SE, 733.14; AMERITAS, RE, 4074.01; AQUILA, SE, 2466.14; BAKER & TAYLOR, SU, 652.14; BANK FIRST, RE, 50.00; BANK FIRST, FE, 390.00; BANK FIRST, RE, 250000.00; BARONE SECURITY SYSTEMS, SU, 217.50; BOMGAARS, SU, 17.98; CITY OF WAYNE, RE, 57.38; CITY OF WAYNE,

RE, 1139.04; CITY OF WAYNE, RE, 3328.18; CITY OF WAYNE, PY, 104408.77; CITY OF WAYNE, RE, 857.56; CITY OF WAYNE, SE, 364.00; CITY OF WAYNE, RE, 206.40; CITY OF WAYNE, RE, 293.35; CLASSY CLEANING LADIES, SE, 195.37; COPPLE & ROCKEY P.C., SE, 3068.99; CORNHUSKER STATE IND., SU, 569.00; CULLIGAN, SE, 41.00; DAS COMMUNICATIONS, SE, 448.00; ECCON HEATING, SU, 602.59; ECHO GROUP, SU, 79.23; ELECTRIC FIXTURE, SU, 241.79; ELLIS PLUMBING & HEATING, RE, 90.00; EMPLOYERS MUTUAL CASUALTY, RE, 383.70; FARMERS AND MERCHANTS, RE, 250000.00; FORT DEARBORN LIFE, SE, 1675.71; GUARANTEE OIL, SU, 391.41; HAUFF MID-AMERICAN SPORTS, SU, 47.90; HUNTEL, SE, 30.00; ICMA, RE, 10667.84; IRS, TX, 35639.48; JACK'S UNIFORMS, SU, 137.42; KIRKHAM MICHAEL, SE, 980.88; LOGAN CONTRACTORS, SU, 432.00; MAIN STREET COFFEE, SE, 40.47; MARSHALL CAVENDISH, SU, 137.09; MIDCOMPWEB, INC., SE, 275.00; MIKE TOWNE, SE, 900.00; MOONLIGHT TOWING, SE, 292.88; MUNICIPAL SUPPLY, SU, 108.52; NE DEPT OF REVENUE, TX, 4886.91; NE NEB INS AGENCY, SE, 58996.00; NE PLANNING & ZONING, FE, 280.00; NE POWER ASSOCIATION, FE, 190.00; NE PUBLIC HEALTH, SU, 765.00; NORFOLK DAILY NEWS, SU, 117.00; N.E. NE AMERICAN RED CROSS, RE, 59.24; NNPPD, SE, 1318.53; OLSSON ASSOCIATES, SE, 3577.15; PAMIDA, SU, 37.18; PIERCE COUNTY COURT, RE, 300.00; PITNEY BOWES, SE, 637.00; POSTMASTER, SU, 589.90; QWEST, SE, 595.67; RANDOM HOUSE, SU, 316.00; RDG PLANNING & DESIGN, SE, 650.00; REXCO EQUIPMENT, SU, 33896.00; S.A. VAN DYK, SE, 250.00; SHERWIN WILLIAMS, SU, 199.20; SKARSHAUG TESTING, SE, 106.85; SPARLING INSTRUMENTS, SU, 917.78; STATE NATIONAL BANK, RE, 387.23; STATE NATIONAL BANK, RE, 96000.00; SUN RIDGE SYSTEMS, SE, 2600.00; TACO'S AND MORE, SE, 152.61; TOM'S BODY & PAINT SHOP, SU, 5.00; UNITED STATES PLASTIC, SU, 142.42; UNITED WAY, RE, 45.35; UNIVERSITY OF NE, FE, 130.00; VEL'S BAKERY, SE, 113.37; VIAERO WIRELESS, SE, 68.87; VOSS LIGHTING, SU, 366.00; WAYNE COUNTY COURT, RE, 496.50; WAYNE COUNTY TREASURER, FE, 903.00; WESCO, SU, 14081.43; ZEE MEDICAL SERVICE, SU, 38.61; ADVANCED AUDIO VISUAL, SU, 1704.70; AMERICAN PUBLIC POWER, FE, 805.56; ARNIE'S FORD-MERCURY, SU, 65.14; BLUE DEVIL BOOSTER CLUB, SE, 100.00; BOMGAARS, SU, 1534.26; BROWN SUPPLY, SU, 205.57; BURNIGHT FACILITATED, SE, 1550.50; CARHART LUMBER, SU, 631.20; CITY OF WAYNE, RE, 8316.72; CITY OF WAYNE, RE, 40.00; CITY OF WAYNE, RE, 146.46; CLASSY CLEANING LADIES, SE, 84.30; CLAUSSEN & SONS IRRIG., SE, 415.00; CONNECTING POINT, SE, 17.90; COPY WRITE, SU, 612.67; EISENBRAUN & ASSOC., SE, 2730.30; ELECTRIC FIXTURE, SU, 455.24; FLOOR MAINTENANCE, SU, 175.00; FREDRICKSON OIL, RE, 54.20; GILL HAULING, SE, 1685.72; HEIKES AUTOMOTIVE, SE, 271.59; HEWLETT-PACKARD, SU, 2430.00; HOLIDAY INN OF KEARNEY, SE, 268.00; INTERSTATE ALL BATTERY, SU, 833.24; INTERSTATE BATTERY, SU, 83.95; JOHNSON'S PLUMBING, SE, 306.00; KELLY SUPPLY, SU, 108.87; KNOEPFLER CHEVROLET, SU, 25.11; KRIZ-DAVIS, SU, 651.78; LP GILL, SE, 5046.34; MARRIOTT HOTELS, SE, 545.90; MIDWEST OFFICE AUTOMATION, SE, 378.31; MUNICIPAL SUPPLY, SU, 23.33; MURPHY TRACTOR & EQUIPMENT, SU, 124367.00; NE AIR FILTER, SU, 839.50; NE

HARVESTORE, SU, 3643.91; NE SALT & GRAIN, SU, 1076.08; NMPP ENERGY, FE, 150.00; NeFSMA, FE, 70.00; NORTHEAST LIBRARY SYSTEM, FE, 15.00; NWOD, FE, 10.00; OLDS PIEPER & CONNOLLY, SE, 1993.64; OTTE CONSTRUCTION, SE, 32342.18; PAC N SAVE, SU, 29.55; PAMIDA, SU, 52.12; PUSH-PEDAL-PULL, SU, 9575.00; QUILL, SU, 894.09; QWEST, SE, 1246.72; S & S WILLERS, SU, 1305.91; STATE NATIONAL BANK, RE, 6521.08; STATE NATIONAL BANK, RE, 18000.00; THE OFFICE PROFESSIONAL, SU, 87.00; US BANK, SU, 3230.39; UTILITIES SECTION, FE, 712.00; VOSS LIGHTING, SU, 264.60; WAEDI, RE, 6383.33; WAYNE GRAIN & FEED, SE, 72.00; WAYNE HERALD, SE, 1193.66; WAYNE VETERINARY CLINIC, SE, 196.26; WESCO, SU, 255.60; WAPA, SE, 23957.54; ZACH OIL, SU, 5618.99

Councilmember Buryanek made a motion and seconded by Councilmember Chamberlain to approve the claims. Mayor Shelton stated the motion, and the result of roll call being all Yeas, the Mayor declared the motion carried.

Councilmember Sturm made a motion and seconded by Councilmember Frevert to deny the claim of Tom and Audrey Hester for medical expenses incurred as a result of injuries sustained by their son when playing rugby on city owned property - \$1,119.59. Mayor Shelton stated the motion, and the result of roll call being all Yeas, the Mayor declared the motion carried.

Mayor Shelton 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, she 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.

Mayor Shelton declared the time was at hand for the public hearing on the One and Six Year Street Improvement Program.

Administrator Johnson stated we are required every year to produce a short and long-range plan for streets and, in addition, have a Certified Street Superintendent to receive revenue from the Highway Funds from the State of Nebraska. The driving force on most of these projects is the available funding.

Upcoming projects, which include some carry over projects from previous year(s), include the following:

M – 617(88)	2008	Western Ridge Phase II – Donner Pass – 1,200’ Construct Concrete Paving, Curb & Gutter, Storm Sewer	\$180,000
M – 617(89)	2008	Lage Subdivision – South of Fairgrounds Avenue – 900’ Construct Concrete Paving, Curb & Gutter, Storm Sewer	\$ 75,000
M – 617(94)	2008	Folk Street from S. Nebraska Street west 150’ Construct Gravel Street, Storm Sewer	\$ 10,000
M – 617(91)	2008	Pedestrian Underpass on W. 7 th Street Located between CAC and Oak Drive	\$300,000
M – 617(80)	2008	East 10 th Street from Main St. to Windom St. – 1,225’ Reconstruct Concrete Paving, Curb & Gutter, Storm Sewer	\$380,000
M – 617(87)	2009	West 1 st Street from Main St. to Pearl St. – 350’ Reconstruct Paving, Curb & Gutter, Storm Sewer, Sidewalks	\$175,000
M – 617(95)	2009	Schoolview Drive from W. 4 th St. to W. 5 th St. – ‘300 Widen street to allow for parking – safety concerns	\$45,000
M – 617(92)	2010	Windom Street from 645’ N of Fairground Ave to E. 7 th – 1,750’ Reconstruct Paving, Curb & Gutter, Storm Sewer, Sidewalks	\$500,000
	2011	Maintenance Only	
	2012	Maintenance Only	
	2013	Maintenance Only	

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

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

Councilmember Lutt arrived at the meeting at 5:35 p.m.

Councilmember Ley introduced Resolution 2008-5, and moved for its approval; Councilmember Alexander seconded.

RESOLUTION NO. 2008-5

A RESOLUTION APPROVING THE ONE AND SIX YEAR STREET IMPROVEMENT PROGRAM.

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

Mayor Shelton declared the time was at hand for the public hearing to review the Wayne Revolving Loan Fund (WRLF) application of Snakey Jake's Italian Pizza & Subs (Renee Jacobsen).

The funds will be used to purchase the building the business currently occupies at 118 E. 2nd Street. The application is for \$10,000. The loan is set up on a 20 year amortization schedule, but it will be a 7-year note with a balloon payment at the end of the 7th year. The interest rate charged by the City will be 4.37%, which is one-half of what the local lender is charging.

Wayne Industries has also reviewed, discussed, and recommended approval of the WRLF application.

Renee Jacobsen, owner of Snakey Jake's, was present to answer questions.

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

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

Councilmember Sturm introduced Resolution No. 2008-6 and moved for its approval; Councilmember Ley seconded.

RESOLUTION NO. 2008-6

A RESOLUTION CONFIRMING THE APPLICATION FOR AND APPROVING THE USE OF NOT TO EXCEED \$10,000 FROM THE WAYNE REVOLVING LOAN FUND.

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

Ken Franzen, representing Wayne Industries, stated that Wayne Industries would like to sponsor the LB840 issue. LB840 is a method where you can ask the public to approve a sales tax — one part to be used for whatever purpose with the other part being used for economic development. The current sales tax will sunset in 2009, and therefore, Wayne Industries thought it would be an excellent opportunity to try to continue that sales tax with a vote of the public to pursue possibly property tax reduction or some other goal, in addition to economic development. Mr. Franzen presented a proposed calendar identifying a time table to get something on the ballot in November.

Administrator Johnson clarified that you can't use sales tax to finance a utility, so that option is out. However, the ballot language can say that 50% will be used for capital projects, such as streets and sidewalks; it needs to be in the tax portion of the budget, not the utility portion.

Nancy Braden, City Treasurer, researched information in regard to using some of the sales tax money towards property tax reduction. If we would use approximately half of what we now get per year in sales tax (approx. \$240,000) to go towards property tax reduction, a property owner would save about \$153 on a \$100,000 home. The City also receive equalization funds from the State of Nebraska. This is based on the average levy of all cities in the state, where you stand with your levy, and where your valuations are in your community. Right now, Wayne is the number 6 community on the receiving end of

this. We receive \$333,000 in equalization taxes. If we would lower our property taxes below the average level, we could potentially lose this \$333,000 or a good portion of it. Some communities, like Norfolk, Blair, Cozad, Fort Calhoun, Grand Island, Gretna, Kearney, LaVista, Lincoln, Omaha, Waverly, York, etc., who have gone with property tax reduction receive nothing from this fund. She would caution going straight property tax reduction.

Mayor Shelton stated if we use LB840 for property tax relief, we would lower our property tax level and probably lose the \$333,000. We would then have to raise property taxes because we would have to do something to get that \$333,000 back.

Councilmember Buryanek stated there are areas of our budget that we can target this for that wouldn't directly be property tax relief, but in effect would help keep property taxes down.

Mr. Franzen stated that one point that will be stressed is that this is a revenue option that is already in place and would just continue.

Councilmember Sturm introduced Ordinance 2008-1 and moved for approval of the third and final reading thereof; Councilmember Ley seconded.

ORDINANCE NO. 2008-1

AN ORDINANCE OF THE CITY OF WAYNE, WAYNE COUNTY, NEBRASKA AMENDING SECTION 22-31 OF THE WAYNE CITY MUNICIPAL CODE TO LEVY AN OCCUPATION TAX ON MOBILE TELECOMMUNICATION SERVICES; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH; AND PROVIDING A TIME WHEN THIS ORDINANCE SHALL BE IN FULL FORCE AND EFFECT.

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

Administrator Johnson, in regard to the following ordinance, stated that in the packet was a request to consider eliminating the handicapped parking stall on the south side of Second Street west of Main to the north side of Second Street west of Main. This would now be the time to amend the ordinance to reflect that change.

Nancy Braden, who is on the ADA Committee, stated the concern of the Committee was to have a handicapped parking stall on both the east and west sides of Main Street.

Councilmember Sturm introduced Ordinance 2008-2 and moved for approval of the second reading thereof, with the condition that before the third reading takes place, the ADA Committee is contacted for their input on this proposed amendment; Councilmember Buryanek seconded.

ORDINANCE NO. 2008-2

AN ORDINANCE AMENDING CHAPTER 78, ARTICLE III, SECTION 78-96 LOCATION RESERVED FOR HANDICAPPED PARKING OF THE WAYNE MUNICIPAL CODE; TO PROVIDE FOR THE REPEAL OF CONFLICTING ORDINANCES OR SECTIONS; AND TO PROVIDE FOR AN EFFECTIVE DATE.

Councilmember Ley stated the reason the request was made to move the handicapped parking stall to the north side was the fact that there would only be two parking stalls on the south side. There are eight or nine parking stalls on the north side. In addition, the north side of the street gets more sun in the winter.

Mayor Shelton 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 Council meeting.

Garry Poutre, Superintendent of Public Works and Utilities, stated the City's wholesale power costs are up significantly, both with NPPD and WAPA. It will take a 7% increase to cover those costs and to keep the status quo. A small part of that is the fact that we raised our in lieu of tax from the Electric Fund from 8% to 8.5%. Initially, Mike Town with Western Consulting, who has done the city's two cost of service studies in the last nine years besides our annual reviews, originally suggested that perhaps we don't have the rate increase, but just have it be handled through our PCA. To save confusion, it was thought the better route would be to have the increase through the rates rather than the PCA. The dollar amount or end result would be the same.

Councilmember Buryanek introduced Resolution No. 2008-7 and moved for its approval; Councilmember Alexander seconded.

RESOLUTION NO. 2008-7

A RESOLUTION ESTABLISHING A SCHEDULE OF ELECTRIC RATES TO BE CHARGED CUSTOMERS FOR ENERGY AND POWER FROM THE ELECTRIC DISTRIBUTION SYSTEM OF THE CITY; TO REPEAL CONFLICTING RATES AND SCHEDULES; AND TO PROVIDE FOR AN EFFECTIVE DATE.

Mayor Shelton 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 the sewer rates by 50%. In the past, we have been operating on a break-even basis. Generally, we have been just barely charging enough to keep our reserve and to operate the sewer plant. We have to begin developing some cash reserve for a wastewater plant (approx. \$4-5,000,000). If we don't do this and start from scratch with no reserve, we could be looking at a 100 or 200 percent increase in sewer rates if we do it all at once. The Mayor, Supt. of Public Works & Utilities and a couple of Councilmembers will probably

be going to two of the sites that we are looking at that process total biological, low aeration, and no sludge. If those made it through the winter in Missouri and Wisconsin, Johnson believes those are serious options we can look at to put in place to replace our current plant. They are both new systems that come from Europe and Israel and the Arabic countries where energy is much more expensive than here and water is more precious. None are operating yet in the United States, and we are waiting for them to shake out in the winter time process. The 50% increase is a start, which will generate an additional \$200,000 a year towards a cash reserve on a multi-million dollar project.

Councilmember Buryanek stated this is a 20-year old plant with a 20-year life span. We should have started kicking the tires and traded it in last year. We have put this off as long as we can.

Councilmember Buryanek introduced Resolution No. 2008-8 and moved for its approval; Councilmember Lutt seconded.

RESOLUTION NO. 2008-8

A RESOLUTION TO ESTABLISH SEWER SERVICE AND USE RATES.

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

Administrator Johnson stated two bids were received on the City Hall Insulation Project. The low bid was from Benscoter Construction in the amount of \$3,487.92. Staff recommendation is to accept the low bid and award the contract to Benscoter Construction. Johnson stated the bids were for 24" blown in cellulose. He is going to look at lowering that to 18". The last 6" basically interrupts the vertical air flows that go in and out of insulation and cuts down on the effectiveness.

Councilmember Sturm introduced Resolution No. 2008-9 and moved for its approval; Councilmember Frevert seconded.

RESOLUTION NO. 2008-9

A RESOLUTION ACCEPTING BID AND AWARDING CONTRACT ON CITY HALL INSULATION PROJECT.

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

Administrator Johnson stated the following ordinance would amend the title of the Code from Snow Emergency to Snow Plow Alert and reference the same therein.

Councilmember Buryanek introduced Ordinance 2008-4 and moved for approval thereof; Councilmember Sturm seconded.

ORDINANCE NO. 2008-4

AN ORDINANCE AMENDING WAYNE MUNICIPAL CODE, CHAPTER 78, ARTICLE VI., SNOW ~~EMERGENCY~~ PLOW ALERT BY AMENDING SECTION 78-282 PARKING ON CITY STREETS.

Mayor Shelton 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 Council meeting.

Garry Poutre, Superintendent of Public Works & Utilities, presented his annual report.

Lance Webster, Police Chief, gave a report on the Police Department's "Active Shooter Training" drill they did at the school.

Consensus of Council was to have committee-of-the-whole meetings during their regular meetings on the following dates: April 15th, July 1st, September 16th, and December 16th.

Administrator Johnson discussed the preferred route for the Highway 35 Expressway as mapped out by the Department of Roads. The route will be just south of Wayne, will go through the Zach property and cross Highway 15 and follow 855th Road and come out on Highway 35 between the Lutt and Lessmann properties. The purpose of the public hearing next Tuesday evening is two-fold:

- For comments on the preferred route; and
- For comments on the environmental impact statement.

The Highway 35 Association met and was agreeable to the preferred route and the environmental impact statement. The DOR has basically said they are not building any more expressways in Nebraska. That means they are abandoning Highway 275 and doing no more work on that. However, he thought the Legislature was going to find some way to finish 275 and Highway 30. The expressway project is probably 40 years away. While Wayne does not really need 4 lane traffic, but Northeast Nebraska does if we are going to keep jobs. The trend nationwide is towards railroads and four lanes as businesses make decisions for their next plant, next expansion or next relocation.

There were no reports on meetings attended.

Councilmember Sturm made a motion and seconded by Councilmember Ley to adjourn the meeting. Mayor Shelton stated the motion, and the result of roll call being all Yeas, the Mayor declared the motion carried and the meeting adjourned at 7:05 p.m.