

**MINUTES  
CITY COUNCIL MEETING  
March 4, 2008**

The Wayne City Council met in regular session at City Hall on Tuesday, March 4, 2008, at 5:35 o'clock P.M. Mayor Lois Shelton called the meeting to order with the following in attendance: Councilmembers Brian Frevert, Don Buryanek, Doug Sturm, and Ken Chamberlain; City Attorney Chris Connolly; City Administrator Lowell Johnson; and City Clerk Betty McGuire. Absent: Councilmembers Verdel Lutt, Dale Alexander, Kaki Ley, and Darrel Fuelberth.

Notice of the convening meeting was given in advance by advertising in the Wayne Herald on February 21, 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.

Terry Galloway of Almquist, Maltzahn, Galloway, & Luth, P.C., presented the FY 06-07 Audit. The City has net assets of approximately \$30 million, of which \$10.7 million is unrestricted, which is about 35%. Anything over 30% is very good. The majority of this is in the business type activities or utility funds. The unreserved fund balances for the General Fund was \$1 million or 42% of the total General Fund expenditures. Forty-two percent represents about 5 months worth of cash reserves. Anything over 30% is very good.

The City's number one source of revenue is state allocation - \$736,000. Wayne receives about \$132 per person per year. The average is \$120. The number two revenue source is property taxes which is \$693,000. While this may sound high, it is actually

very low. Wayne is running about \$124 per person in the City. The average for cities the size of Wayne is \$140 per person. The property tax in Wayne is a little bit low.

The number three revenue source is sales tax - \$485,000. This about \$87 per person in Wayne. The average is more like \$150 per person. This is one revenue source where Wayne is running under the average, which is mostly due to the retail trade situation. Wayne just does not have as much retail trade as other cities of the same size.

Mr. Galloway then reviewed the business type activities. The City has outstanding debt (Governmental Activities) of \$3.2 million. This is about 2.1% of the total valuation of Wayne. Anything less than 3% is very good. Wayne has very little in the way of General Obligation outstanding debt.

The business type activities are revenue bonds. This calculation is based on debt service coverage ratios. Anything that is 1.5 to 2 times is very good. What they look at is operating income, adding back non cash items such as depreciation and amortization, and then seeing how many times that will cover our entire principal and interest that is due on an annual basis. In the electric, Wayne had a debt service coverage ratio of 3.6. Anything above 2 is excellent. In water, Wayne was under about 1.5 and in sewer, Wayne was running right at 1.5.

The City's property tax is about \$.43 on the general. With the debt added into that, it is about \$.507. Wayne has low property valuations in comparison to some of the other cities Wayne's size. If the valuations were higher, then the property tax rates would be lower. Wayne is running about \$27,000 per capita. The other communities he looked at are running anywhere between \$36,000 to \$38,000 per capita.

Mr. Galloway reviewed the Statement of Activities. It shows the expenses, program revenues and then net expenses over the program revenues. For the general government and public buildings, they look at these on a per capita basis (what it costs each person). The cash reserves overall in the city was \$11,700,000, which is up about \$670,000 from the previous year. Wayne has very good cash reserves in the business type or utility funds, too.

Mr. Galloway stated they look at types of cash reserves as they go through this specifically in the General Fund — the first being an operating cash reserve and the second being a replacement reserve (replacement of infrastructure, fixed assets, etc.). Wayne has some replacement reserve needs in the utility funds when you look at the undepreciated assets. Wayne has a need of about \$7.2 million worth of cash reserves, and is right at about \$7.8 million of unrestricted cash.

In the Enterprise Funds and Utility Funds, you need to be looking for revenue opportunities. The franchise revenue and fees received in the last few years have been low. Even with a 30% increase, those will probably still be a little bit low. He suggested revisiting the option of running our own gas department.

In regard to operating income, he noted that you try to get operating income as a percent of return on your total operating revenues. The Electric Fund is at 15% -- the goal is 15% so Wayne is right on line. The Water Fund is also right on line. However, there is a deficit in the Sewer Fund. However, rates were increased effective March 1<sup>st</sup>.

The other one to look at is the Transfer Station. Wayne had a loss of about \$30,000. The new rates will increase May 1<sup>st</sup>.

Mr. Galloway then reviewed the “Capital Assets” for the business type activities. Wayne has done a great job in the way of replacing infrastructure and capital assets in the governmental activities, but has a net undepreciated cost in the business type activities. We always look at this as a percent of the original cost of the capital assets. Anything over 50% is great. We have about 55% in the governmental activities. In the business type activities, we have about \$7.7 million being undepreciated costs of those capital assets. That is only about 34%. The goal is to maintain those at about 50%. Wayne is going to have some needs in the utility funds in the next few years, and you will need the cash reserves in order to meet some of those needs. As you near the 30% factor, you are going to end up incurring a lot in the way of repair and maintenance to maintain your capital assets at that level.

Mr. Galloway reviewed “Risk Management”, more particularly the health insurance. The cost per employee went up a total of 4.5%. This is extremely low. Wayne has done an excellent job in risk management of keeping those costs down. Right now, the cost per employee for health insurance is about \$6,000. That is unheard of. The way Wayne is handling this internally, you are saving about \$250,000 per year just in the health insurance fund itself.

He reviewed the per capita costs of departments and made comparisons between Wayne and other cities our size. The administrative costs to run the City of Wayne is extremely low compared to the other cities.

In Public Buildings, we are running about \$55 per capita. The average is \$75. In Public Safety, we are running about \$146 per capita. The average is \$175. Public Works is \$65 per capita. The average is \$100. Senior Center services are \$30 per capita. The

average is \$35. The Library is about \$26, with the average being \$35 per capita. Recreation is probably the only one that is right at the mark of what the actual vs. the average is. Wayne is running about \$47-50 per person. Overall, Wayne has done an excellent job in keeping the costs and expenses down in the various departments.

His firm did not encounter any difficulties in performing the audit.

Mr. Galloway, in his comments and suggestions, recommended establishing some fiscal polices. In addition, he suggested that the City review the city boundaries for possible annexation of development areas for additional valuation and sales tax revenue. Wayne needs valuation and sales tax revenue.

The communities Mr. Galloway compared Wayne to were 5,000-10,000 in population (e.g. McCook and Ogallala).

The City has done a very good job at being good stewards with the money that is here. The amount in cash reserves is very good. Mr. Galloway commended the City staff on a job well done.

Councilmember Ley arrived at 5:50 p.m.

Councilmember Sturm made a motion and seconded by Councilmember Chamberlain, whereas the Clerk has prepared copies of the Minutes of the meeting of February 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:

**VARIOUS FUNDS:** ALLTEL, SE, 448.47; AMERICAN BACKFLOW, FE, 60.00; AMERITAS, RE, 1991.27; AQUILA, SE, 3094.20; AVATECH SOLUTIONS, SE,

250.00; BANK FIRST, FE, 195.00; BOMGAARS, SU, 469.70; CARHART LUMBER COMPANY, SU, 372.25; CARLTON INDUSTRIES, SU, 60.67; CITY OF WAYNE, RE, 450.00; CITY OF WAYNE, RE, 60.00; CITY OF WAYNE, SU, 231.11; CITY OF WAYNE, RE, 14808.44; CITY OF WAYNE, PY, 59874.21; CITY OF WAYNE, RE, 428.78; CITY OF WAYNE, RE, 166.94; CITY OF WAYNE, RE, 140.00; COPY WRITE, SE, 210.32; COVENTRY HEALTH, SE, 19225.37; DAKOTA RIGGERS & TOOL, SU, 45.60; DAS COMMUNICATIONS, SE, 448.00; ELECTRIC FIXTURE, SU, 594.08; EMC, RE, 278.15; ENGINEERED CONTROLS, RE, 878.75; FBINAA-NE CHAPTER, FE, 90.00; FORT DEARBORN, SE, 1673.31; GEMPLER'S, SU, 62.00; HD SUPPLY WATERWORKS, SU, 4875.72; HEARTLAND STAINLESS, SU, 28.52; HOLIDAY INN MIDTOWN, SE, 324.75; HOLIDAY INN-DOWNTOWN, SE, 140.00; HUNTEL CABLEVISION, SE, 30.00; ICMA, RE, 5498.46; IRS, TX, 18990.85; KELLY SUPPLY, SU, 49.15; KRIZ-DAVIS, SU, 489.52; MARRIOTT HOTELS, SE, 172.00; MERCY MEDICAL CLINICS, SE, 58.00; MIDWEST LABORATORIES, SU, 6.95; MIDWEST OFFICE AUTOMATION, SE, 122.09; NE DEPT OF HHS, FE, 40.00; NE DEPT OF REVENUE, TX, 2511.71; NE FOREST SERVICE, FE, 80.00; NE HARVESTORE, SU, 7.53; NE PUBLIC HEALTH, SU, 227.00; NE RURAL ELECTRIC ASSOC, SU, 20.00; NE RURAL WATER, SE, 500.00; N.E. NE AMERICAN RED CROSS, RE, 59.24; NNPPD, SE, 1811.40; PUSH-PEDAL-PULL, SE, 428.00; QUILL, SU, 333.22; QWEST, SE, 419.54; RDG PLANNING & DESIGN, SE, 1950.00; STADIUM SPORTING GOODS, SU, 84.00; STATE FARM INSURANCE, FE, 563.00; STATE NATIONAL BANK, RE, 3644.06; STATE STEEL SUPPLY, SU, 290.40; UNITED WAY, RE, 44.60; VIAERO, SE, 69.50; WAYNE AREA CHAMBER, FE, 87.50; WAYNE BASEBALL ASSOCIATION, RE, 2000.00; WAYNE GRAIN & FEED, SE, 72.00; WESCO, SU, 294.47; ADAMSON INDUSTRIES, SU, 66.95; BAKER & TAYLOR BOOKS, SU, 180.95; BOMGAARS, SU, 4.89; CITY OF WAYNE, RE, 5278.03; CITY OF WAYNE, RE, 3000.00; CITY OF WAYNE, RE, 9750.00; CITY OF WAYNE, SE, 258.50; CITY OF WAYNE, RE, 260.88; CLASSY CLEANING LADIES, SE, 169.00; DAKOTA BUSINESS SYSTEMS, SU, 71.16; DEMCO, SU, 80.15; DIRECT SAFETY COMPANY, SU, 96.56; ECHO GROUP, SU, 295.59; ED M FELD EQUIPMENT, SU, 88.00; EISENBRAUN & ASSOC., SE, 6293.23; ELECTRIC FIXTURE, SU, 348.89; ENERSYS INC, SU, 4812.74; ENVIROTECH SERVICES, SU, 3880.80; FLOOR MAINTENANCE, SU, 32.49; G-NEIL, SE, 54.99; HAWKINS WATER TREATMENT, SU, 485.78; HEIKES AUTOMOTIVE SERVICE, SE, 69.23; INCODE, SE, 800.00; JACK'S UNIFORMS, SU, 135.95; JEO CONSULTING GROUP, SE, 200.00; KEPCO, SU, 10.15; LP GILL, SE, 4200.20; MARRIOTT HOTELS, SE, 1372.96; MERCY MEDICAL CLINICS, SE, 141.00; MCVV, FE, 90.00; NATL ARBOR DAY FOUNDATION, FE, 25.00; NE AMERICAN LEGION, SU, 39.40; NE RURAL WATER, FE, 275.00; OLDS PIEPER & CONNOLLY, SE, 1250.36; PIZZA HUT, SU, 326.30; PLUNKETT'S PEST CONTROL, SE, 40.00; POSTMASTER, SU, 616.61; QUILL, SU, 100.58; QWEST, SE, 192.69; RANDOM HOUSE, SU, 352.00; RON'S RADIO, SU, 54.00; STATE NATIONAL BANK, RE, 1523.99; TACO'S AND MORE, SU, 26.56; US BANK, SU, 4764.81; WAYNE VETERINARY CLINIC, SE, 159.00; WHITE DOG LAWN SERVICE, SE, 375.00; ZACH OIL, SU, 5581.33

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

Agenda Item No. 5 – Discussion on Well Head Protection Plan for all City Wells – Charles Shapiro was postponed until the next meeting.

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.

Administrator Johnson introduced Anthony Lawrence, Wayne State College Intern, who is working in the city offices this semester.

Mayor Shelton declared the time was at hand for the public hearing to consider the Planning Commission's recommendation regarding an Application for Zoning Use by Exception Permit of Moonlight Towing, LLC, to allow the operation of a vehicle towing service with the storage of towed vehicles located at 123 Fairgrounds Avenue.

Administrator Johnson stated that approximately a year and a half ago, we discovered that Moonlight Towing was operating in an area that is not zoned properly for this type of business activity. The rezoning process has taken place. It is now necessary for them to obtain a use by exception permit.

George Ellyson, Chief Inspector/Planner, advised the Council that the Planning Commission held a public hearing on this matter and recommended approval thereof, with the following conditions:

- The unlicensed and inoperable vehicles be removed by July 1, 2008; and
- The dilapidated structure on the west side of the area be repaired or razed by July 1, 2008.

Mr. Johnson noted that in this process we also discovered that the City was storing towed cars in an area not properly zoned. We now store towed cars in a building on South Lincoln Street.

BJ Woehler and Robert Woehler were present to answer questions. Mr. BJ Woehler stated he had no problem with the 8' fence requirement. He believes that will have to be behind the building line. He has discussed the dilapidated building with Mr. Ellyson. It is 9'6" to the one eave, and he thought that would work. They will go through the other building issues as far as getting it up to the Property Maintenance Code. The other fence material, other than the concrete blocks which he stated would be on the one side, would be a wood or tin fence, 8' in height. One of the things he wanted Council to consider was to allow him to use portable storage units (e.g. what they used to sell fireworks out of) for the fence. They currently have some semi-trailers down there, and they would like to use them as storage units. They would be 8' high and sealed all the way to the bottom. There would also be an 8' solid gate, which would probably be attached to its own post with hinges.

Mayor Shelton asked Mr. Woehler how long ago they were asked to remove the unlicensed and inoperable vehicles from the property. Mr. Woehler stated he thought his dad was asked about a year and a half ago. Last February when he met with the Mayor,

Administrator Johnson, the City Attorney, and Mr. Ellyson, they thought they had that cleared up, but he guessed they didn't at that time.

Mayor Shelton asked why they were still there if they had a year and a half to get them out of there. Mr. Woehler replied that he thought he could put a for sale sign on them and that she was fine with that. That was his understanding.

Mayor Shelton stated she did not ever remember anything like that. She stated they have been for sale for a year and a half and nobody has bought them. Mr. Woehler stated he has sold a couple and they have some left.

City Attorney Connolly stated what he remembers from that meeting was that the cars were frozen in the ground, so they agreed nothing could be done at that point, but in the spring, when the ground softened up, Mr. Woehler was going to remove those. That was his recollection.

Mr. Woehler stated after he received the letter from Mr. Ellyson in August, he sent him another letter in August stating that he thought he met the requirements and he never received any response to that. However, he knows now that it has to be done by July 1, 2008.

City Clerk McGuire noted that she received a telephone call from Dorothy Redel who had no objection to this public hearing.

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

Councilmember Sturm introduced Resolution 2008-15, and moved for its approval; Councilmember Buryanek seconded.

#### RESOLUTION NO. 2008-15

A RESOLUTION APPROVING APPLICATION FOR ZONING USE BY EXCEPTION PERMIT TO ALLOW FOR THE OPERATION OF VEHICLE

TOWING SERVICE WITH THE STORAGE OF TOWED VEHICLES  
LOCATED AT 123 FAIRGROUNDS AVENUE.

Mr. Woehler stated the concrete fences would be 2'x4' by 3' tall.

Mayor Shelton asked how would the City know which of these vehicles that go inside the fence is actually part of their towing business and which are the ones they have been trying to get rid of for a year and a half. Mr. Woehler stated Mr. Ellyson would be required to do an inspection. Woehler currently has four cars down there, and he can produce tow bills for them.

Councilmember Sturm asked what is the Council's option – is it to hold their license if they don't meet the requirements we've asked them to do. It seems like we have a lot of investment at times in property that we don't get our money returned. Can we just pull their license instead of saying that the City will go down and do the work and then bill them.

Councilmember Chamberlain suggested rescinding the Resolution.

Attorney Connolly responded that he didn't know about rescinding the Resolution. Once you grant status, he thought they would be entitled to maintain that. As far as violations are concerned, he was not sure about pulling the license. That may or may not be something the City can do.

Councilmember Buryanek stated that anybody that tows cars in the City of Wayne needs to store their vehicles in a fenced area like this then.

Mark Sorensen, Planning Commission Member, wanted to clarify the fence requirement. He stated that Mr. Woehler did bring up the idea of using concrete bunkers and that was something that was turned down by the Planning Commission. It was the Planning Commission's idea that the fence is to be an 8" fence, and if you read the

minutes, it talks about that it will be either wood or metal construction and it will be 8' tall and painted. There was no discussion at the Planning Commission meeting about them using storage trailers as part of the fenced area. His understanding is that the fence is to be 8' tall, no concrete or no other uses as far as trailers, etc.

Mr. Woehler stated he thought the blocks were accepted, because on the e-mail he has from Mr. Ellyson to Mr. Johnson and Mayor Shelton dated February 4<sup>th</sup>, it states that they were going to use the large blocks. There were a lot of things discussed, and he doesn't know how formally everything was drafted at the Planning Commission, but he took it that they would be allowed to use the concrete blocks. The way the Statute reads on the City's fencing requirement, it just says a solid barrier. It does not define the material. He thought as long as he made a solid barrier, it would be allowed.

Mayor Shelton noted when it comes to putting up fences, we do have to take into consideration the neighbors, and she was not sure that every neighbor would think that their concrete blocks are a beautiful fence. The fence is to shield the neighborhood from the cars that are sitting there.

Mr. Woehler stated that no neighbors have come to the last two meetings and had anything to discuss about it. He has talked to them and they have no complaints. The only person complaining is the City. They were at the Planning Board meeting, and he talked to Karen McDonald afterwards and she said she had no objection. He did not see any neighbors here. That is why you have public discussions. It will be an 8' fence and it will take three of the concrete blocks to make the 8 feet.

Councilmember Ley stated the Planning Commission thinks they were only allowing wood or metal. She thought that if the Council approved the concrete blocks, there would be a conflict.

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 extend the contract end date three months for NAHTF Grant #05-TFHP-535 — Affordable Housing Grant Program.

Nancy Braden, City Treasurer, addressed the Council. She stated that we currently have seven down payment assistance loans with this grant. WCHDC has been working diligently trying to get some qualified buyers for the remainder of the funds, which is about \$47,000. We can only do a three-month extension at a time. Therefore, she was requesting Council consideration for another three-month extension from NDED to try and get the remainder of the funds used. The maximum amount of a down payment loan is \$20,000. Otherwise, it is 20% of the purchase price.

Administrator Johnson stated that the following Resolution would extend the City's grant contract with NDED for an additional three months to continue to utilize the funds to make down payment loans to qualified households for home purchases.

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

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

Councilmember Ley introduced Resolution No. 2008-16 and moved for its approval; Councilmember Buryanek seconded.

RESOLUTION NO. 2008-16

A RESOLUTION AUTHORIZING EXTENSION OF CONTRACT END DATE FOR NAHTF GRANT #05-TFHP-535.

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 on the Application to the Nebraska Department of Economic Development for Community Development Block Grant Funds to be used for the Downtown Revitalization Plan.

Lisa Hurley of the Northeast Nebraska Economic Development District was present to answer questions. She is assisting the City of Wayne and Wayne Area Economic Development, Inc., in submitting the application for the City. NDED recently, a few months ago, approved a pilot program available to a select few communities. The community has to be designated as an “Economic Development Certified Community,” and has to be fewer than 20,000 in population. That allows 13 communities in the State of Nebraska to be eligible. This will be a two-phase project. The first phase for the four communities that are selected will be a “planning phase.” Those communities can request up to \$30,000 in planning funds. Once they are selected and contract negotiations take place, there will be a six-month time frame in which to get the planning phase completed. This is going to be a very intense, quick process for the planning phase. Most planning phases take two years. Once we get through the planning phase, we will turn in the full application. What we are doing here is technically the pre-application. We will submit the full application next January. The second phase will be awarded in July, 2009. Then you have two years to implement whatever the plan says to do.

The City of Wayne is requesting \$30,000 of CDBG Funds, of which \$27,900 will be used for a downtown revitalization plan and \$2,100 will be used for general administration of the grant. The total project costs are estimated to be \$39,400, with \$30,000 requested from CDBG Funds, and \$9,400 provided by matching funds. NNEDD will be administering the grant.

Wayne Industries and the WAEDI Board approved \$4,000 to pay for the blight study. The blight study had to be done in order to do the pre-application.

Councilmember Buryanek stated part of the process to move ahead is the City Council has to approve the blight study even if we don't pay for it.

Wes Blecke, Asst. Executive Director of Wayne Area Economic Development, Inc., addressed the Council. He was here in support of the grant application and also speaking on behalf of the business community. They had 122 businesses or individuals respond to the survey that NENEDD prepared. Seventy-three respondents found a need for additional planning and improvements in the downtown area. Seventy-five respondents would support a two-phase project that includes planning and implementation. With this planning grant, they need to match \$9,400. Of that \$9,400, they have \$8,000 already committed. The Wayne Community Theatre Group has committed \$4,000; WAEDI has committed \$2,000; and Chamber and Main Street have each committed \$1,000. That leaves \$1,400, which he was asking Council to consider committing to the planning grant. This would be Phase 1. Phase 2 would be the \$250,000 grant.

In regard to the blight study, which was \$4,000, WAEDI committed \$2,400, Wayne Industries committed \$1,000 and \$600 has been received in private donations.

The Auditor mentioned that there is a lack of retail trade in Wayne, and this would be one way to help boost that. While there are no guarantees, this is definitely a step in the right direction. The survey also reported that certain business owners would like to see renovations done to their buildings. They obviously don't have the funds right now to do that, and some of this money would help out with that. The second phase of this grant would be the \$250,000. If we are successful in the planning phase, we will probably receive this \$250,000. We would also have to match that 25%. The business community would be responsible for that. He is asking for the Council's support for the application and the \$1,400 that would be needed to secure the matching funds.

Councilmember Sturm stated that only 37% of the business owners said yes to the question: "If your community decides to focus first on public improvements such as additional green space and parking, would you be willing to make a donation?" Mr. Blecke responded that those are public improvements such as a city park down town or public parking spaces. He felt that was a fairly good number for public improvements.

Ms. Hurley stated most of the businesses who are doing a letter of support would like to know the cost first before they can say how much they would be willing to contribute. That will need to be something that gets decided during the planning phase.

Councilmember Buryanek stated this ties in with one of the goals that Council set at the recent retreat. Doing the study and getting through that process for \$1,400 gives us a shot at \$250,000. It's kind of like the lottery, you can't win unless you buy a ticket.

Mr. Blecke stated that we do score fairly well on some bonus points. We are a Main Street Community, we have a CDA established, and we have applied for NCIP awards.

It was noted that the area goes from the south side of 7<sup>th</sup> Street to Logan Creek and one and a half blocks on the west and east sides of Main Street.

Cindy Brummond, Chair of the Wayne Area Chamber of Commerce, stated they were in favor of the Council approving this Resolution. As a Chamber member, she feels this is an easy way to keep our funds in Wayne, keep Wayne growing, and help us from losing our retail businesses to Norfolk, Sioux City and other local towns. These are the things we need to do to try and keep and improve on the retail sales in Wayne.

BJ Woehler, representing Rober Woehler and Sons Construction, was present and asked if this was a TIF area because part of that area has already been put into that. Would that be a conflict?

Ms. Hurley responded by saying that the current blight study that is being done goes up to what has already been TIF'd. The official Main Street District goes from 7<sup>th</sup> Street down to Logan Creek and a block and a half each way.

Mr. Woehler stated his property is kind of in and kind of out.

Mayor Shelton stated funds are already available to them for that. Mr. Woehler stated he has tried to come up and see how to start the process to get the funds and nobody is really sure. He stated he has asked Administrator Johnson and City Clerk McGuire, and he has to get a lawyer. If you are going to do this, it's a great idea, because any time you can do a TIF or get a grant, it's a good deal, but there needs to be a way to clarify or streamline that for the public to get access to that money.

Councilmember Buryanek stated the project we are talking about now has no TIF consideration in it at this point and time. This is just going after grant funds for the 25% match.

Mayor Shelton asked if this process was that tough that staff couldn't answer him. Administrator Johnson stated they need a project to talk about and we really haven't talked about a project. He and Mr. Woehler have talked in concept. Mr. Woehler stated they just didn't know what the first step was.

City Clerk McGuire stated she did not recall Mr. Woehler ever coming into her office and visiting with her about this.

Administrator Johnson stated you need to know what you are going to use the money for and what it would generate in funds, and then you have something to talk about. In general, they talked about some streets. If they were to start converting the mobile home court, that would be a potential project.

Mr. Woehler referenced the house that he and his brother are building.

Attorney Connolly stated that TIF financing is not meant or designed to be easy to get.

Administrator Johnson stated that TIF is available, but you can't just do it for one house. You have to bring in some group of investment. Ms. Braden has an alternative legal option for developing TIF plans and the cost benefit ratio in meeting the requirements of the law, and he thought they need to take a look at that because he thought that could be easier and cheaper.

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

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

The following Resolution would authorize the Mayor to sign the application for CDBG Funds.

Councilmember Buryanek introduced Resolution 2008-17, and moved for its approval, which includes the commitment of the \$1,400 requested by WAEDI; Councilmember Chamberlain seconded.

RESOLUTION NO. 2008-17

A RESOLUTION AUTHORIZING CHIEF ELECTED OFFICIAL TO SIGN AN APPLICATION FOR CDBG FUNDS.

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

Councilmember Chamberlain introduced Ordinance No. 2008-4 and moved for final approval thereof; Councilmember Ley 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.

Administrator Johnson stated the following agenda item is a housekeeping matter to submit the next year's budget to the State of Nebraska for cost-share funding for the Senior Center operation.

Connie Christensen, Senior Center Director, was present to answer questions.

Councilmember Buryanek made a motion and seconded by Councilmember Ley approving the Senior Center budget for the Northeast Nebraska Area Agency on Aging. Mayor Shelton stated the motion, and the result of roll call being all Yeas, the Mayor declared the motion carried.

Administrator Johnson stated that the following Resolution is an annual action that the Council takes to apply for funds for the handi-van.

Councilmember Sturm introduced Resolution No. 2008-18 and moved for its approval; Councilmember Frevert seconded.

#### RESOLUTION NO. 2008-18

#### A RESOLUTION AUTHORIZING CITY ADMINISTRATOR TO APPLY FOR NEBRASKA PUBLIC TRANSPORTATION ACT FUNDS.

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

Annual reports were given by Gene Hansen, Superintendent of Electric Production, and Connie Christensen, Senior Center Coordinator.

Administrator Johnson stated at 5:30 this Thursday in Council Chambers, the first meeting of the LB840 Sales Tax Committee previously appointed by the Council will take place.

Councilmember Sturm made a motion and seconded by Councilmember Ley to recess as Council and convene as the Community Development Agency. Mayor Shelton stated the motion, and the result of roll call being all Yeas, the Mayor declared the motion carried.

Chair Don Buryanek called the meeting of the Community Development Agency to order. Those in attendance: Members Brian Frevert, Lois Shelton, Doug Sturm, Kaki Ley and Ken Chamberlain; City Attorney Chris Connolly; City Administrator Lowell Johnson; and City Clerk Betty McGuire. Absent: Members Verdell Lutt, Dale Alexander and Darrel Fuelberth.

Chair Buryanek 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.

The next item on the CDA agenda was to approve the minutes of the January 15, 2008, meeting.

Member Shelton made a motion and seconded by Member Chamberlain approving the minutes of the January 15, 2008, meeting. Chair Buryanek stated the motion, and the result of roll call being all Yeas, the Chair declared the motion carried.

The next item on the CDA agenda was to approve the following claim: \$577.38 which is the first half property taxes on the Kardell Industrial Park and Western Ridge properties.

Member Chamberlain made a motion and seconded by Member Sturm approving the claim - \$577.38 which is the first half property taxes on the Kardell Industrial Park and Western Ridge properties.

Chair Buryanek stated the motion, and the result of roll call being all Yeas, the Chair declared the motion carried.

Administrator Johnson reviewed the Preliminary Plat prepared by Kirkham Michael for Western Ridge. There are three courts and three streets on the plats that need names. We will be sponsoring a contest with the public to have some input and potential winners for those people who name those streets and courts. This plat contains 58 lots, and still has a 2.5 acre green space for storage of storm water runoff. The storage of the storm water runoff will be designed to hold a 3 acre feed, which is the estimated run off from a 50-year frequency storm which is a 4.5 inch rain in 24 hours on frozen ground. If

it rains 6 inches, which is a 100-year frequency storm in a 24 hour period, there will be a spillway on the west side that does not go into the cemetery, but there will have to be a low spot, so that it will then feed into two places. There will be a 30-inch tube going through the detention dam into the highway ditch, and there will also be a spillway around the east end going into the highway ditch. The combination of those will still not exceed the 4'x8' storm culvert box under the highway. When this matter comes before the Planning Commission, the property owners affected by this will be notified.

There is a lot (No. 55) on the east side of the street coming into the subdivision from the south which may be moved to the other side of the road.

This was for information purposes only.

Member Sturm shared his concerns regarding this housing development. There are approximately 62 houses for sale on the market at this time. Eighteen of those houses are empty. What makes us think that this will work?

Chair Buryanek stated some of the houses for sale are the upper end houses. But some of those in the \$80-99,000 range need work. You would have to weigh purchasing a brand new home for \$110,000, or one that has been setting empty for \$90,000, and needs a new furnace, etc. We have removed 42 homes from the market since 1996 to 2006.

Member Chamberlain stated that 5% of your housing stock is typical for homes being for sale. We are at about 3%. If you look at that list, there are not a lot of options for houses in the price range of \$100,000 to \$160,000.

Della Pries, Director of Wayne Community Housing Development Corporation, stated what real estate agents are finding is that young families are wanting three

bedroom homes, at least two baths, and a double car garage. They do not want to do a lot of work on homes. She is finding young couples coming in are looking at \$95,000 homes. If we are going to attract new business, this would be an asset to Wayne. The community needs to keep improving and keep growing. In addition to her purchase/rehab/resell program, we also have to have this other part. She really feels like we need to add some more new construction to Wayne and give families another option.

Mayor Shelton stated we haven't added housing in this price range for years. Our housing stock is getting old.

Kent Franzen, Past President of Wayne Industries, stated he understood the concerns of the statistics just mentioned. It's no different than unemployment. Five percent or less unemployment is really considered full employment because there are that many people who are in normal turnover anyway. To have 62 houses on the market in Wayne is well below what we should have on the market at any one time. When you also look at drawing industry to Wayne, one of the things we need to have is sufficient housing stock available for those new employees. If we are going to get people to move to Wayne and get kids in school, how are we going to do that if we don't have the housing stock to at least start with? If you are looking at this as a year or two solution, you are looking too short. You need to look out five to ten years. That is why this project needs to get started now. It will be five to ten years down the road where we will reap the benefits of this project. Not tomorrow, not next year, and not two years from now. Wayne Industries was pleased when WCHDC picked this ball up and ran with it. Once a year, Wayne Industries invites Ms. Pries and WCHDC to their meeting to keep them updated on the housing. It is a vital part of recruitment. If Wayne Industries is

going to get somebody to fill the opportunity building, this is part of the reason why they went out on a limb and stuck assets into the opportunity building because they knew this project was going. All of these issues are intertwined. If we are going to get property tax relief, we need more property on the tax rolls. This process has to get started sometime, and that is why they are in favor of the project.

Chair Buryanek stated the concerns Member Sturm has raised are real. There are a lot of people out there that are concerned about it, so this kind of discussion is valuable to let the public know what we are thinking and how we are thinking and what our reasoning is for this project.

Mr. Franzen agreed and stated that we need affordability in that range, but there is a gap in the middle that is needed. The housing studies that have been done have pointed that out. That is the gap we are trying to fill.

Member Sturm was concerned about all of the fees and taxes that we are placing on citizens. He hopes the project is viable because we are going to end up putting in a lot of money, and he hopes we don't have to continue to nickel and dime the citizens with another little tax. We lower property tax, but then we increase another tax.

Member Shelton stated the Auditor told us that per capita we are cheaper than a lot of other places our size.

Member Sturm stated he was not saying he was against any of this, but he just wants to make sure it is always thought through and we don't just have our little meeting and just approve it. He needs to ask questions and get answers so he can answer questions from the citizens.

Mr. Franzen stated having a 3% housing stock on the market is not a plus especially when they look at what the range of that 3% is. Most employers are going to ignore the under \$70,000 house. As far as they are concerned, they aren't even there because they are not going to ask their people to live in that house anyway. That kind of housing is not going to attract anybody.

BJ Woehler stated developers also have these same concerns. We are lucky in Wayne to have Vintage Hills and Fairacres. This would just add to the City. He applauds the City for taking this on. As a contractor, he remembers working on ten new homes a year in the 90's and now they just don't have that. They put in the water and sewer in Vintage Hills about 3-4 years ago, and they only have put in two new homes.

Ms. Pries stated the grant for this project requires 17 houses in three years, so she did not think we were going to be flooding the market. It is just going to be a nice little piece to the puzzle. This will keep contractors very busy.

Administrator Johnson requested Council action on putting together some type of incentive for naming the streets in the Western Ridge Subdivision.

Member Ley made a motion and seconded by Member Chamberlain to allow staff to develop a plan for getting the streets named in the Western Ridge Subdivision. Chair Buryanek stated the motion, and the result of roll call being all Yeas, the Chair declared the motion carried.

Chair Buryanek requested consideration to approving the following Resolution of support for the Main Street Revitalization Plan for CDBG funding. One of the things in that application process that looks good is the more public groups that you have

supporting it, the better off your application looks. So, they are asking the CDA to offer their support for their application.

Member Frevert introduced CDA Resolution No. 2008-1, and moved for its approval; Member Chamberlain seconded.

#### CDA RESOLUTION NO. 2008-1

#### A RESOLUTION OF SUPPORT FOR THE 2008 DOWNTOWN REVITALIZATION INITIATIVE.

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

Member Chamberlain made a motion and seconded by Member Sturm to adjourn as the Community Development Agency and reconvene as Council. Chair Buryanek stated the motion, and the result of roll call being all Yeas, the Chair declared the motion carried.

No action was taken on Agenda Item No. 18 – Action on Zoning Code Enforcement on Property Located at 7<sup>th</sup> & Dearborn Streets.

City Treasurer Nancy Braden gave a report on the INCODE Software User's Conference she and Chanelle Belt, Administrative Secretary, attended in New Orleans.

Administrator Johnson gave a report on the American Power Association of Nebraska and the Nebraska Power Association meeting he attended.

Mayor Shelton reported on the Nebraska Workforce Development, Nebraska Planning and Zoning Association Conference (Source Water Protection: Planning to Protect Your Water Supply), and Workforce Investment Board Meetings she recently attended.

Administrator Johnson, Mayor Shelton, City Clerk McGuire, and Councilmembers Ley and Sturm reported on the Mid-Winter League Conference in Lincoln.

Councilmember Buryanek made a motion and seconded by Councilmember Frevert 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 8:24 p.m.