

**MINUTES  
CITY COUNCIL MEETING  
December 16, 2008**

The Wayne City Council met in regular session at City Hall on Tuesday, December 16, 2008, at 5:30 o'clock P.M. Mayor Lois Shelton called the meeting to order with the following in attendance: Councilmembers Brian Frevert, Verdel Lutt, Jon Haase, Dale Alexander, Kathy Berry and Ken Chamberlain; City Attorney Amy Wiebelhaus; City Administrator Lowell Johnson; and City Clerk Betty McGuire. Absent: Councilmembers Doug Sturm and Kaki Ley.

Notice of the convening meeting was given in advance by advertising in the Wayne Herald on December 4, 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 Frevert made a motion and seconded by Councilmember Chamberlain, whereas the Clerk has prepared copies of the Minutes of the meeting of December 2, 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:** ADVANCED AUTO PARTS, SU, 67.45; ALTEC INDUSTRIES, SU, 119.69; AMERITAS, RE, 2135.28; APPEARA, SE, 152.28; BAKER & TAYLOR, SU, 316.51; BANK FIRST, FE, 195.00; BIG T ENTERPRISES, SU, 85.95; CABLEONE ADVERTISING, SE, 125.00; CARHART LUMBER COMPANY, SU, 336.32; CITY OF WAYNE, RE, 250.00; CITY OF WAYNE, RE, 20.00; CITY OF WAYNE, RE, 2058.00; CITY OF WAYNE, RE, 500.00; CITY OF WAYNE, RE, 500.00; CITY OF WAYNE, RE, 1566.28; CITY OF WAYNE, PY, 52937.76; CITY OF WAYNE, RE, 185.54; CITY OF WAYNE, RE, 95.89; CLASSY CLEANING LADIES,

SE, 251.85; CONNECTING POINT, SE, 52.90; COPY WRITE, SU, 9.77; DAKOTA BUSINESS SYSTEMS, SE, 73.16; DANKO EMERGENCY EQUIPMENT, SU, 1324.12; DUTTON-LAINSON, SU, 546.35; ED M FELD EQUIPMENT, SE, 9.68; FLOOR MAINTENANCE, SU, 114.43; FORT DEARBORN LIFE, SE, 1520.70; FREDRICKSON OIL, SU, 106.50; FREMONT NATIONAL BANK, RE, 900.00; FREMONT NATIONAL BANK, RE, 37125.00; GALE GROUP, SU, 1502.20; GREAT PLAINS ONE-CALL, SE, 42.06; H.K. SCHOLZ COMPANY, SU, 48.34; HAUFF MID-AMERICAN SPORTS, SU, 240.00; ICMA, RE, 5136.24; INGRAM BOOK, SU, 8.41; IRS, TX, 17985.71; ITRON, RE, 977.05; JOHN'S WELDING AND TOOL, SU, 36.00; K & C GRAIN, SU, 758.86; KTCH, SE, 1115.00; LERNER PUBLISHING GROUP, SU, 125.05; MATT PARROTT AND SONS, SU, 213.34; MIDWEST LABORATORIES, SE, 1335.20; MIDWEST TAPE, SU, 16.98; MINES JEWELERS, SU, 159.80; MOONLIGHT TOWING, SE, 58.58; NE DEPT OF REVENUE, TX, 2492.12; NORTHEAST EQUIPMENT, SU, 6.66; N.E NE AMERICAN RED CROSS, SE, 150.00; NNPPD, SE, 10341.87; OLDS PIEPER & CONNOLLY, SE, 1957.38; OMAHA TRUCK CENTER, SU, 107.62; ORIENTAL TRADING CO, SU, 84.79; PAMIDA, SU, 81.26; PEPSI-COLA, SU, 283.68; PRESTO X, SE, 112.89; PROVIDENCE MEDICAL CENTER, SE, 4922.25; QUALITY FOOD CENTER, SU, 15.52; QUILL, SU, 180.93; QWEST, SE, 1312.25; RANDOM HOUSE, SU, 439.20; SIOUX CONTRACTORS, SU, 1709.00; SKARSHAUG TESTING LAB, SE, 108.74; STADIUM SPORTING GOODS, SU, 337.50; STATE ELECTRICAL DIVISION, FE, 25.00; STATE NATIONAL BANK, RE, 192.31; STRATTON & KUBE, SE, 1362.20; TAK, INC, SE, 87.00; VAKOC BUILDER'S RESOURCE, SU, 42.99; VEL'S BAKERY, SU, 24.45; WAYNE COUNTY CLERK, SE, 2989.85; WAYNE GRAIN & FEED, SE, 72.00; WAYNE HERALD, SE, 1820.36; WESCO, SU, 15770.05; WAPA, SE, 23582.20; ZACH PROPANE, SE, 213.75; ALARM PROS, SE, 92.31; CITY OF WAYNE, RE, 97.43; COVENTRY HEALTH, SE, 16318.34; CULLIGAN, SE, 41.00; DAKOTA RIGGERS & TOOL, SU, 385.14; DANKO EMERGENCY EQUIPMENT, SE, 5596.41; DE LAGE LANDEN FINANCIAL, SE, 411.00; ECHO GROUP, RE, 72.20; ELECTRICAL ENGINEERING, SU, 132.31; FLOOR MAINTENANCE, SU, 418.46; FREDRICKSON OIL, SU, 2847.90; GEMPLER'S, SU, 46.56; GRAYBAR ELECTRIC, SU, 901.71; HUFFMAN PRODUCTIONS, SE, 100.00; INDUSTRIAL TOOL, RE, 76.77; LYNN PEAVEY, SU, 47.88; MERCY MEDICAL CLINIC, SE, 640.00; MES-MIDAM, SU, 40.41; MIDLAND COMPUTER, SU, 626.59; MSC INDUSTRIAL, SU, 170.27; NE HARVESTORE, RE, 1226.20; NE PLANNING & ZONING, FE, 40.00; NE PUBLIC HEALTH, SE, 122.00; NE RURAL WATER, FE, 500.00; NE SAFETY COUNCIL, SU, 150.00; NPPD, SE, 163551.64; OVERHEAD DOOR COMPANY, SE, 265.50; PARTS ENGINEERING, SU, 144.77; PEERLESS WIPING CLOTH, SU, 270.00; PROVIDENCE MEDICAL CENTER, SE, 10000.00; PURCHASE POWER, SU, 500.00; STATE NATIONAL BANK, RE, 180.00; STATE NATIONAL BANK, RE, 150.00; TRIVIEW COMMUNICATION, SU, 62.50; WAYNE AREA CHAMBER, SU, 780.00; WAEDI, SE, 47645.00; WAYNE AUTO PARTS, SU, 817.70; WEB SOLUTIONS OMAHA, SE, 275.00; ZEE MEDICAL SERVICE, SU, 35.84

Councilmember Chamberlain made a motion and seconded by Councilmember Alexander 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 arrived at the 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.

James Kube, Attorney, was present to update the Council on the James and Dawn Casey v. City of Wayne, et al., litigation matter.

Councilmember Lutt made a motion and seconded by Councilmember Alexander to enter into executive session to discuss the matter involving the James and Dawn Casey v. City of Wayne, et al., litigation matter, and to allow Lowell Johnson, City Administrator and Betty McGuire, City Clerk, to be in attendance. Mayor Shelton stated the motion, and the result of roll call being all Yeas, the Mayor declared the motion carried, and executive session began at 5:35 p.m.

Mayor Shelton again stated that the matter to be discussed in executive session relates to the James and Dawn Casey v. City of Wayne, et al., litigation matter.

Councilmember Frevert made a motion and seconded by Councilmember Alexander to resume open session. Mayor Shelton stated the motion, and the result of roll call being all Yeas, the Mayor declared the motion carried, and open session resumed at 5:45 p.m.

Councilmember Sturm made a motion and seconded by Councilmember Alexander 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 Chamberlain called the meeting of the Community Development Agency to order. Those in attendance: Members Brian Frevert, Verdel Lutt, Jon Haase, Dale Alexander, Lois Shelton, Doug Sturm, and Kathy Berry; City Attorney Amy Wiebelhaus; City Administrator Lowell Johnson; and City Clerk Betty McGuire. Absent: Member Kaki Ley.

Chair Chamberlain advised the public that a copy of the Open Meetings Act was located on the south wall of the Council Chambers and was available for public inspection.

The next item on the CDA agenda was to approve the minutes of the December 2, 2008, meeting.

Member Lutt made a motion and seconded by Member Alexander approving the minutes of the December 2, 2008, meeting. Chair Chamberlain stated the motion, and the result of roll call being all Yeas, the Chair declared the motion carried.

The next item on the agenda was to consider action on Change Order No. 2 in the amount of \$44,477.68.

Rich Robinson of Kirkham Michael stated that Change Order No. 2 in the amount of \$44,477.68 relates to the extra paving that was requested in the northwest portion of the subdivision on LaPorte Street and the fire hydrant assemblies in Phase 3 of the Western Ridge Subdivision Project.

Member Lutt made a motion and seconded by Member Shelton approving Change Order No. 2 in the amount of \$44,477.68. Chair Chamberlain stated the motion, and the result of roll call being all Yeas, the Chair declared the motion carried.

Member Shelton made a motion and seconded by Member Lutt to pay Change Order No. 2 in the amount of \$44,477.68. Chair Chamberlain stated the motion, and the result of roll call being all Yeas, the Chair declared the motion carried.

Mr. Robinson then reviewed Contractor's Progress Estimate No. 3 in the amount of \$33,181.78 for Steve Harris Construction, contractor on the project. They have reviewed the same and recommend approval thereof.

Member Shelton made a motion and seconded by Member Frevert approving Contractor's Progress Estimate No. 3 in the amount of \$33,181.78. Chair Chamberlain stated the motion, and the result of roll call being all Yeas, the Chair declared the motion carried.

Mr. Robinson reviewed Amendment No. 4 – Agreement for Professional Construction Phase Engineering Services. These additional items were requested of KM and were verbally approved by the CDA in the amount of \$8,400.

Councilmember Sturm questioned the charge for the additional periodic site visits in the amount of \$3,500.

Member Shelton stated the site visits were requested because of special conditions.

Member Shelton made a motion and seconded by Member Sturm approving Amendment No. 4 – Agreement for Professional Construction Phase Engineering Services in the amount of \$8,400. Chair Chamberlain stated the motion, and the result of roll call being all Yeas, the Chair declared the motion carried.

Discussion then took place on a Change Order Request – Soil Stabilization for the Western Ridge Project from Steve Harris Construction. The change order relates to hauling in material (dirt and fly ash) to stabilize the utility trenches and the pavement subgrade because of high moisture content in the natural soils.

Administrator Johnson opined that communications were an issue on this matter.

Mr. Robinson stated at Progress Meeting No. 1 on September 23, 2008, there was considerable discussion about the moisture in the backfill and excavation that was taken out for the pipe work. At that point and time, it was a verbal commitment by the CDA to pay for some fly ash material to help stabilize that. The verbal agreement at that time for the trench backfill was half of the cost of the fly ash estimated to be at \$30/ton up to a maximum of \$6,000. The total of the change order submitted by Steve Harris Construction was \$9,679, with one-half being \$4,839.50.

Mr. Robinson noted that the contract documents did contain the geo-technical report which stated the soils were wet, so that was provided as supplementary information to the contractors. KM stated several contractors called the geo-technical engineer prior to bidding and discussed the moisture in the soil and had some concerns about it.

The other part of the change order request is for stabilizing the paving subgrade. About 14 tons of fly ash was hauled in to mix with the earth and stabilize the soil for an additional cost of \$21,995.40. KM's opinion was that the moisture contents were known prior to bidding, that the same probably adds value thereto, but had concerns about the contractor taking the initiative to order the materials and do the work without getting approval for the same.

Administrator Johnson recommended paying \$4,713 for the paving subgrade stabilization. The application costs should be that of the contractor's. The City should contribute some of cost for the materials to help get the soil dried down for a base. The total recommended change order (\$4,839 plus \$4,713) was \$9,552.

Mark Wiener of Steve Harris Construction, Inc., addressed the Council on the matter. The borings that were made were made prior to the dirt work being done. They did not have any idea as to what the soil conditions were going to be like when they got there. Mr. Wiener stated this was the first time he had seen the letter dated October 31, 2008, from Kirkham Michael. He does not see what the issues are in regard to paying the full amount. Mr. Wiener stated he e-mailed Mr. Robinson the first of October requesting some action on the fly ash and to this date, he has not heard anything back from him. If they would not have incorporated the fly ash into the soil, the paving would not be done right now. It takes 2-3 weeks to get a change order processed, and they did not have that time. He also stated that they did try discing the soil and it did not work. He was of the opinion that they did what they needed to do to get the project done, and he would like to get paid for it.

Administrator Johnson stated when the City accepts a bid, they are assuming the contractor has a plan for that dollar amount to figure it out and meet the specs.

Mr. Wiener stated during the pre-bid, he asked what would they do with unsuitable soils when they were getting ready to pave.

Member Sturm stated he would consider this another change order. No matter who did the project, fly ash probably would have been needed. He hasn't yet heard of anybody that incorporated that into their bid. The CDA agreed to 50% up to a maximum of \$6,000 for this Phase 1 & 2. He has not found anything yet that is going to change his opinion now to go ahead and pay closer to the amount they want.

Administrator Johnson stated in the age of cell phones and quick communication, he or Mr. Robinson should have been contacted regarding the purchasing of the fly ash and getting approval for the same.

Member Lutt thought they should get paid for everything they did, but he questioned whether or not others should share in the blame. That was what he was debating.

Member Lutt made a motion that the CDA pay for 100% of the fly ash and dirt that was hauled in to get the street done and the paving subgrade stabilization as submitted by Steve Harris Construction, Inc. Member Alexander seconded the motion.

Administrator Johnson questioned Mr. Wiener buying dirt instead of fly ash without getting permission to do so. No one called him saying that they could not get a response from Kirkham Michael. He did not believe that in this day where there are fifteen ways to communicate with somebody, that you could not get an answer back from someone.

Mr. Wiener questioned the decision-making process in this project, and more particularly the time it took to get the 60” storm sewer approved. He also stated in the five years he has worked with Steve Harris, this is the worst job he has had with communications.

Chair Chamberlain stated the motion, and the result of roll call being all Yeas, with the exception of Members Sturm and Chamberlain who voted Nay, the Chair declared the motion carried.

Administrator Johnson stated that Wayne Community Development Corporation has asked that the CDA table action on the “Option to Purchase Real Estate” until their board has had an opportunity to review the same.

Member Shelton made a motion and seconded by Member Sturm to table action on the “Option to Purchase Real Estate” between the CDA and Wayne Community Housing Development Corporation. Chair Chamberlain stated the motion, and the result of roll call being all Yeas, the Chair declared the motion carried.

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

Mayor Shelton declared the time was at hand for the public hearing to consider the Planning Commission’s recommendation regarding the Preliminary and Final Plat for the replat of Lots 15, 16, 17, 18, and 19, “Fairway Estates” to the City of Wayne, located in the NW¼ of the NW¼ of Section 7, T26N, R4E of the 6<sup>th</sup> P.M., Wayne County Nebraska; more particularly described as Lots 15, 16, 17, 18, and 19, of the Replat of

Lots 15, 16, 17, 18 and 19, "Fairway Estates" to the City of Wayne, Wayne County, Nebraska.

Administrator Johnson stated that Pentagon Development, LLC, wants to replat some of the lots in Fairway Estates so that they can build townhomes on the interior side of the street.

The Planning Commission held a public hearing on this matter on November 3, 2008, and recommended approval thereof, based upon the following "Findings of Fact":

1. The request is consistent with the current zoning and consistent with the Comprehensive Plan;
2. That the same be subject to the lien holder consenting to the replat by separate instrument to be filed by the property owner; and
3. The Zoning Administrator's recommendation.

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

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

Councilmember Sturm introduced Resolution 2008-103, and moved for its approval; Councilmember Chamberlain seconded.

#### RESOLUTION NO. 2008-103

A RESOLUTION APPROVING PRELIMINARY AND FINAL PLAT FOR THE REPLAT OF LOTS 15, 16, 17, 18, AND 19, "FAIRWAY ESTATES" TO THE CITY OF WAYNE, LOCATED IN THE NW1/4 OF THE NW1/4 OF SECTION 7, TOWNSHIP 26 NORTH, RANGE 4, EAST OF THE 6<sup>TH</sup> P.M., WAYNE COUNTY, NEBRASKA, MORE PARTICULARLY DESCRIBED AS LOTS 15, 16, 17, 18, AND 19, OF THE REPLAT OF LOTS 15, 16, 17, 18, AND 19, "FAIRWAY ESTATES" TO THE CITY OF WAYNE, WAYNE COUNTY, NEBRASKA.

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

Councilmember Sturm introduced Ordinance 2008-24, and moved for approval of the second reading thereof; Councilmember Chamberlain seconded.

ORDINANCE NO. 2008-24

AN ORDINANCE AMENDING THE ZONING MAP AND CHANGING THE ZONING OF AN AREA MORE PARTICULARLY DESCRIBED AS THE SOUTH 13 FEET OF LOT 1, AND ALL OF LOTS 2, 3, AND 4 OF THE REPLATS OF LOTS 1 THROUGH 7, BLOCK 3, ROOSEVELT PARK ADDITION AND THE FOLK STREET RIGHT-OF-WAY ON THE WEST SIDE OF SOUTH NEBRASKA STREET AND ALL OF LOTS 1, 2, 3, 4, 5, 6, 7, AND 8, OF BLOCK 4, ROOSEVELT PARK ADDITION, AND EXTENDING SOUTH TO THE CENTERLINE OF LOGAN CREEK FROM B-1 HIGHWAY COMMERCIAL TO R-3 RESIDENTIAL.

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 Councilmember Chamberlain seconded to suspend the statutory rules requiring ordinances to be read by title on three different days. 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 Councilmember Chamberlain seconded to move for final approval of Ordinance No. 2008-24. Mayor Shelton stated the motion, and the result of roll call being all Yeas, the Mayor declared the motion carried

Garry Poutre, Superintendent of Public Works & Utilities, stated that the City received six bids on the UV Disinfection System on December 2, 2008. Bids ranged from \$202,443 to \$256,853. The Engineer's estimate was \$320,000. Roger Protzman of JEO Consulting Group, Engineer, reviewed the same and recommended that the contract be awarded to the low bidder – Penro Construction Co., Inc. for \$202,443.

Mr. Protzman's letter stated that there is a bid item for heating and insulating the ground/project if necessary. This work was bid as an alternate because we do not know if it will be necessary to use this bid item, but they established a price should it be needed. This work is not part of the base bid and he advised the Council against using this as part of their evaluation. Most bidders felt the work could be completed in March or April prior to the April 27, 2008, contract completion date without the use of the additional heating.

Councilmember Sturm was concerned about the additional heating costs which would then make Christiansen Construction the low bid.

BJ Woehler, representing Robert Woehler & Sons, who is a sub of Christiansen Construction, stated that they could start earlier than February.

Mr. Poutre stated that Penro's intention is to start March 1<sup>st</sup>, and that there is no need to start the project before that date. That will provide 60 days in which to complete the project and have it on line before the summer rec season. The equipment from Servent Trent will be delivered around February 1<sup>st</sup>.

Administrator Johnson stated when he told Mr. Protzman how to bid this out, he was told that any heating and housing and ground thawing costs were to be general conditions, and not part of the bid.

Councilmember Sturm was concerned that it could end up costing the City a lot more.

When asked, Councilmember Haase stated he did not think frost would be an issue in March or April. However, it depends upon the year.

Administrator Johnson stated if this project is not up and running by May 1<sup>st</sup>, we are under administrative order and we'll probably get fined.

Mr. Poutre stated Penro has advised him that they are working on a uv disinfection system and can build one in about six weeks. They do not expect frost to be an issue. If the Council wants the project start February 1<sup>st</sup>, frost will be more of an issue. In addition, Christiansen owns the equipment that it takes to draw frost out of the ground, and Penro doesn't, so Penro doesn't want to deal with frost. Christiansen on the other hand has an opportunity to make more money with the equipment he already has.

Councilmember Chamberlain asked if the contract had any type of liquidated damages provision in it if the project isn't completed by April 27, 2009.

Administrator Johnson stated the fine would be \$10,000 per day.

Councilmember Chamberlain stated that makes a huge difference on when they can get started. If our fine will be \$10,000 a day, then he would prefer the company that wants to start in January.

Councilmember Frevert stated if you look at these bids the way they are and you assume that you are going to have to do the additional work, then the low bidder is Christiansen Construction Co.

Councilmember Chamberlain stated there should be something in the contract that recoups the City some of the cost if it's not done by that date. If it wasn't in the literature when it was bid out, then we need to throw all these bids out and start over.

Administrator Johnson did not think we had time to rebid this. The Council can override the engineer's recommendation or you can wait until January to make a decision. At that time, Mr. Protzman could be at the meeting to answer questions. Or

you can accept the lowest base bid or the base bid plus additional work. This is not a complicated project.

Councilmember Sturm asked Mr. Poutre if he had a problem going with Christiansen as opposed to Penro. Mr. Poutre responded he had some issue with going against the engineer's recommendation.

Councilmember Sturm introduced Resolution 2008-104, and moved for its approval to award the contract on the UV Disinfection Project to Christiansen Construction Co. based upon their base bid and the additional work (if needed), and for them to start no later than February 16th; Councilmember Frevert seconded.

#### RESOLUTION NO. 2008-104

A RESOLUTION ACCEPTING BID AND AWARDING CONTRACT ON THE CONSTRUCTION OF THE "2008 WASTEWATER TREATMENT FACILITY, UV DISINFECTION SYSTEM PROJECT."

Mayor Shelton stated the motion, and the result of roll call being all Yeas, with the exception of Councilmembers Lutt and Alexander who voted Nay, the Mayor declared the motion carried.

Administrator Johnson stated we received two Water Well Permit Applications on behalf of Monte and Sarah Boyer. One is for a geo-thermal well, and the other is for a domestic well. They intend to purchase an acreage from Brian Bowers on Pheasant Run Road west of Wayne. Because the pumping capacity is under 100 gpm, the engineering requirements have been waived. In addition, because the Council in the past has not considered geo-thermal wells as "wells", recommendation is to waive that \$200 permit fee. These wells will have no affect on any city wells.

Councilmember Chamberlain introduced Resolution 2008-106, and moved for its approval and to waive the permit fee for the geo-thermal well permit application; Councilmember Lutt seconded.

RESOLUTION NO. 2008-106

A RESOLUTION APPROVING WATER WELL PERMITS.

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

Mayor Shelton presented the Council with the proposed wage and salary schedule for them to review.

Administrator Johnson stated that Statute Statutes require municipal employees to be paid comparable wages to communities one-half to twice the population of Wayne. We do that with the Police Department every three years with the FOP schedule. In the past, we have used the League of Nebraska Municipalities' salary survey. The survey gives the job description and the minimum and maximum hourly ranges for those positions. Our goal has been to have the maximum wages for our job descriptions in the middle of the average of the top wages of the array that we use. When we started negotiating with the Police Department, the contracts were for three year periods. We have a 2% annual increase in our wage scale, which is by contract with the FOP. The Council, in the past, has treated all employees the same. We have customarily and by policy set everybody in the same type of schedule. Because we schedule increases of 2% a year, the wage grid falls behind the average for the array of cities. This is important because any one individual could go to the Corps of Industrial Relations and pay out of their own pocket for a study and prove they are underpaid by this array of cities. The

Council needs to know under the current system, the pay ranges for what we are doing are slipping behind. This is not the year to play catch up. Johnson will make a couple of recommendations for people that have taken on additional duties and doing additional work. He is recommending that the grid be moved up little bit, and he would rather do it sooner than later because later becomes a problem. There is a finite amount of money we have to pay people, so there are a lot of issues here. You can pay people more and then not replace them as people retire, and still have affordable personnel costs or you can raise revenues. We have one year left on the FOP contract. By general policy, if we continue to do all employees the same as the FOP, this is the grid that we recommend for this year.

Councilmember Sturm questioned the benefit packages of the other cities in the array. This information would be provided to the Council at the next meeting.

Administrator Johnson stated we do not yet have the League's 2008 survey. We took 22 job descriptions of people we have, and then looked at the League's history of those job descriptions in each city and what they paid over the last three years. The average increase of each city on those job descriptions was 5% on the maximum wage.

Councilmember Sturm had a difficult time with the fact that cities comparable to Wayne are giving their employees a 5% raise multiple years in a row. How do they manage to then continue to keep their property taxes, etc., lower than we do at 2%.

Councilmember Chamberlain stated we could do that real easy, but we would have to get rid of some people.

Sturm responded he did not think those other communities were working with less people.

Mayor Shelton stated property valuations have a lot to do with it. The other communities have higher property valuations, which means they pay more property taxes. We have a higher mil levy than most. Our property valuations are lower.

Ms. Braden stated a lot of those cities are using a city sales tax to operate with, too. Some cities our size have double the valuation that we have.

Councilmember Haase did not think Beatrice had a lot of employees working for the City, and that they hire the work done.

Councilmember Chamberlain stated there are a lot of variables in this array. For example, how many employees in those cities have been working there nine years and beyond? How many are in their second year? There were 44 people in this community that woke up in the last month and didn't have a job to go to. There is something in that security that our 41 employees don't have to worry about.

Administrator Johnson stated there are two sets of comparability. One is within Wayne – the local comparability, and the other is the legal comparability, and what we have to keep our eye on is between cities in the State and that is State Law. He is just advising the Council of where we are and where someday we need to be.

Mayor Shelton stated by next summer when the minimum wage goes up, the Council will have to address the matter.

Councilmember Sturm made a motion and seconded by Councilmember Chamberlain authorizing foreclosure proceedings on the Robert Sheckler property – 509 Nebraska Street. Mayor Shelton stated the motion, and the result of roll call being all Yeas, the Mayor declared the motion carried.

There were no reports on meetings attended.

Lance Webster, Police Chief, presented his annual report.

Mayor Shelton requested Council consideration to appointing Councilmember Alexander to the Zoning Steering Committee.

Councilmember Lutt made a motion and seconded by Councilmember Frevert approving the appointment of Councilmember Alexander to the Zoning Steering Committee. 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 Chamberlain 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 7:34 p.m.