

**MINUTES
CITY COUNCIL MEETING
March 20, 2012**

The Wayne City Council met in regular session at City Hall on Tuesday, March 20, 2012, at 5:30 o'clock P.M. Mayor Ken Chamberlain called the meeting to order with the following in attendance: Councilmembers Brian Frevert, Jim Van Delden, Jon Haase, Dale Alexander, Doug Sturm, Kaki Ley and Jill Brodersen; City Attorney Amy Miller; City Administrator Lowell Johnson; and City Clerk Betty McGuire. Absent: Councilmember Kathy Berry.

Notice of the convening meeting was given in advance by advertising in the Wayne Herald on March 8, 2012, 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 Sturm made a motion, which was seconded by Councilmember Van Delden, whereas the Clerk has prepared copies of the Minutes of the meeting of March 6, 2012, and that each Councilmember has had an opportunity to read and study the same, and that the reading of the Minutes be waived and declared approved.

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

The following claims were presented to Council for their approval:

VARIOUS FUNDS: ADVANCED CONSULTING, SE, 1000.00; ALTEC, SU, 153.01; AMERICAN BACKFLOW, FE, 70.00; AMERITAS, SE, 2967.11; APPEARA, SE, 101.89; ARNIE'S FORD-MERCURY, SE, 127.35; BANK FIRST, SE, 180.00; CITY EMPLOYEE, RE, 6.06; BROWN SUPPLY, SU, 536.83; CARHART LUMBER, SU, 638.46; CITY OF NORFOLK, SE, 571.29; CITY OF WAYNE, RE, 1500.00; CITY OF WAYNE, PY, 64072.72; COMMUNITY HEALTH, RE, 3.00; DAVE'S DRY CLEANING, SE, 63.00; FIREMEN, SE, 85.00; DUTTON-LAINSON, SU, 10665.98; ED M FELD EQUIPMENT, SU, 142.00; EMPLOYERS MUTUAL CASUALTY, SE,

574.00; FIRST CONCORD GROUP, FE, 400.00; FLOOR MAINTENANCE, SU, 98.86; FORT DEARBORN LIFE, SE, 1445.66; CITY EMPLOYEE, RE, 150.00; GERHOLD CONCRETE, SU, 105.23; GREAT PLAINS ONE-CALL, SE, 17.82; CITY EMPLOYEE, RE, 56.90; CITY EMPLOYEE, RE, 141.51; HARDING & SHULTZ, SE, 4140.68; HAWKINS, INC, SU, 846.82; HEIKES AUTOMOTIVE, SE, 101.18; HILLYARD/SIOUX FALLS, SU, 19.45; HOBBY LOBBY, SU, 13.65; HOLIDAY INN OF KEARNEY, SE, 331.80; ICMA, SE, 5243.35; INNOVATIVE PROTECTIVES, SU, 30.00; IRS, TX, 22123.12; J.P. COOKE COMPANY, SU, 126.65; KORY LESEBERG, SE, 4685.58; KRIZ-DAVIS, SU, 717.56; KTCH, SE, 80.00; LEAGUE OF NEBRASKA MUN., FE, 1970.00; MIDWEST TAPE, SU, 557.73; MISS MOLLY'S COFFEE, SU, 51.80; MORROW'S HOUSEMOVING, SE, 3000.00; MSC INDUSTRIAL, SU, 51.13; N.E. NEB ECONOMIC DEV DIS, SE, 375.00; NCO PORTFOLIO MANAGEMENT, RE, 444.68; NE DEPT OF REVENUE, TX, 3579.84; NE DEPT OF ROADS, SE, 3150.00; NE ENVIRONMENTAL PRODUCTS, SU, 466.12; NE PUBLIC HEALTH, SE, 243.00; NPPD, SE, 198259.89; NORTHEAST EQUIPMENT, SU, 593.66; NORTHEAST LIBRARY SYSTEM, FE, 100.00; ORIENTAL TRADING CO, SU, 22.97; PAMIDA, SU, 4.00; PEPSI-COLA, SU, 551.15; PRESTO X, SE, 35.15; CITY EMPLOYEE, RE, 291.02; PUSH-PEDAL-PULL, SU, 212.44; QUILL, SU, 327.06; ROBERT WOehler & SONS, SE, 4419.06; RON'S RADIO, SU, 99.00; SPARKLING KLEAN, SE, 1665.84; STADIUM SPORTING GOODS, SU, 140.00; STATE NATIONAL BANK, RE, 1500000.00; STATE NATIONAL BANK, RE, 2799.87; STATE NATIONAL BANK, RE, 488.87; STATE OF NEBRASKA, RE, 100000.00; THE MAX AGAIN, SE, 1012.50; UNITED RENTALS, SU, 115.55; UTILITIES SECTION, FE, 435.00; VAKOC BUILDER'S RESOURCE, SE, 328.83; VEL'S BAKERY, SU, 32.40; WAYNE AUTO PARTS, SU, 575.13; WAYNE COMMUNITY THEATER, RE, 5000.00; WAYNE HERALD, SE, 912.00; WESCO, SU, 479.25; WAPA, SE, 32726.62; WIGMAN COMPANY, SU, 39.22; 4IMPRINT, SU, 819.91; CITY EMPLOYEE, RE, 36.10; CITY EMPLOYEE, RE, 98.06; CITY EMPLOYEE, RE, 91.05; COLONIAL RESEARCH, SU, 126.96; COVENTRY HEALTH, SE, 18834.62; DE LAGE LANDEN FINANCIAL, SE, 394.00; DGR & ASSOCIATES, SE, 84.00; CITY EMPLOYEE, RE, 17.09; FLOOR MAINTENANCE, SU, 74.70; FORT DEARBORN LIFE, SE, 106.64; CITY EMPLOYEE, RE, 152.33; HEARTLAND PAPER CO, SU, 47.43; HUBER TECHNOLOGY, SU, 242.00; ICC, FE, 125.00; JEFF PIPER, RE, 700.00; JON HAASE, RE, 500.00; CITY EMPLOYEE, RE, 387.96; KRIZ-DAVIS, SU, 4980.74; CITY EMPLOYEE, RE, 227.38; MERCY MEDICAL CLINIC, SE, 72.00; CITY EMPLOYEE, RE, 217.67; NE NEBRASKA PUBLIC HEALTH, SU, 306.00; OLSSON ASSOCIATES, SE, 3939.30; CITY EMPLOYEE, RE, 231.57; PITNEY BOWES, SE, 648.00; CITY EMPLOYEE, RE, 33.30; TOM'S BODY & PAINT SHOP, SE, 129.00; UNIVERSITY OF OKLAHOMA, FE, 1350.00; VERIZON, SE, 181.30; WAED, RE, 6000.00; WAYNE HERALD, SE, 19.18; WEST PAYMENT CENTER, SU, 221.04; WESTERN IOWA TECH, FE, 525.00

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

Mayor Chamberlain advised the public that a copy of the Open Meetings Act was located on the south wall of the Council Chambers and was available for public inspection. In addition, he advised the public that the Council may go into closed session to discuss certain agenda items to protect the public interest or to prevent the needless injury to the reputation of an individual and if such individual has not requested a public hearing.

Councilmember Frevert introduced Ordinance 2012-5 and moved for approval of the third and final reading thereof; Councilmember Van Delden seconded.

ORDINANCE NO. 2012-5

AN ORDINANCE EXTENDING THE HOURS OF SALE OF ALCOHOLIC LIQUOR FOR WAYNE HIGH SCHOOL ALUMNI ACTIVITIES.

Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, with the exception of Councilmember Ley who voted Nay, the Mayor declared the motion carried.

Mayor Chamberlain declared the time was at hand for the public hearing to amend the One and Six Year Street Improvement Plan to add Neihardt Avenue, Bressler Court, and Savidge Court in the Western Ridge Subdivision to said plan.

Joel Hansen, Certified Street Superintendent, was present to answer questions. This amendment is a result of discussion at the Council Retreat.

Councilmember Berry arrived at 5:34 p.m.

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

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

Councilmember Ley introduced Resolution 2012-21, and moved for its approval; Councilmember Sturm seconded.

RESOLUTION NO. 2012-21

A RESOLUTION APPROVING THE ONE AND SIX YEAR STREET IMPROVEMENT PROGRAM AS AMENDED TO ADD NEIHARDT AVENUE, BRESSLER COURT AND SAVIDGE COURT IN THE WESTERN RIDGE SUBDIVISION.

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

Discussion took place on the funding alternatives for the Western Ridge II Paving Project. Administrator Johnson advised the Council that one alternative is to bill or assess the cost of the paving back to each lot. The estimated paving project costs divided by the 22 lots would be around \$7,500 per lot. Assessing those costs to the lots would bring the price per lot to around \$15,000. The original \$500,000 in TIF financing generated by the new construction is committed to existing development and the Phase II trail underpass. Two other options to pay for the paving costs would be 1) to use sales tax funding to subsidize the same, or 2) to pay for the same out of the street department general fund budget. Staff recommendation is to bill the cost of the project to the lots and recover the same through the sale thereof.

Eighteen of the thirty-four lots in Western Ridge are currently sold and one has yet to be built on.

Councilmember Frevert asked whether or not the remaining lots could all be averaged out so they are the same price. Mayor Chamberlain noted that when the lot prices were first set, the price was based upon the square footage of the lot.

A CDA meeting will be scheduled for April 3rd to discuss this further and to set the lot prices. Information regarding the lots (front footage and lot prices) in Western Ridge will be distributed with the Council packet.

Mayor Chamberlain declared the time was at hand for the public hearing regarding the submittal of a grant application for the purchase of an additional handi-van.

Penny Vollbracht, Senior Center Coordinator, was present and stated the Nebraska Department of Roads has encouraged them to replace or add to the handi-van fleet. The oldest van is a 2004 and has a mechanical wheelchair lift in the back. The City also has a smaller, more efficient 4 year old handi-van that has no wheelchair transport system. The cost of the new proposed Dodge van is \$40,000. The Federal share covers 80% (\$32,000), with the City's share being 25% (\$8,000). This amount has been placed in the budget. The Department of Roads has recommended that the City keep the old van for backup services for the reason that there are larger wheelchairs which this van can accommodate. The lift on the new van is manual. The Senior Center gives anywhere from 15 to 50 rides per day at \$1.50 per ride. If we sell the old van and the money received for it does not go back into the system for operating expenses, then we would have to give 80% of those proceeds back to the Department of Roads.

Councilmember Sturm had concerns about the cost to run this service. Administrator Johnson noted that the more we run the vans, the more money we lose.

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

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

Councilmember Sturm introduced Resolution 2012-22, and moved for its approval; Councilmember Alexander seconded.

RESOLUTION NO. 2012-22

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

Councilmember Sturm wanted staff to keep an accounting of what this program costs to run.

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

Ms. Vollbracht stated the following Resolution is an annual requirement to obtain funding from the Department of Roads to help pay for the operating costs of the local public transportation system. She is applying for \$33,281 from the Federal Government and \$16,641 from the State of Nebraska for the FY2013 to run the public transit system. The local matching funds would be \$16,641.

Councilmember Alexander introduced Resolution 2012-23, and moved for its approval; Councilmember Sturm seconded.

RESOLUTION NO. 2012-23

A RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO APPLY FOR NEBRASKA PUBLIC TRANSPORTATION ACT FUNDS FOR THE OPERATION OF THE WAYNE PUBLIC TRANSPORTATION SYSTEM.

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

Penny Vollbracht, Senior Center Coordinator, was present requesting Council consideration to approving the Senior Center Budget that has to be submitted to the Northeast Nebraska Area Agency on Aging. The Senior Center must apply for state funding for the meal program, and Council must approve the budget to be submitted to the Northeast Nebraska Area Agency on Aging.

Councilmember Frevert made a motion and seconded by Councilmember Alexander approving and authorizing the submission of the Senior Center budget for 2013 to the Northeast Nebraska Area Agency on Aging. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, the Mayor declared the motion carried.

Irene Fletcher, Assistant Executive Director of WAED, was present and advised the Council that the LB840 Sales Tax Advisory Committee met and reviewed an application to Wayne's Economic Development Program Fund. The applicant, Wayne Chicken Show, requested a grant in the amount of \$12,050 for Chicken Show Marketing. This grant would fund items with an extended use, which would include replacing the outdated and deteriorated Highway 35 west billboard, scaffolding, stage and highway banners and improving the content management of the Chicken Show website. The grant would also help fund other promotional items used to advertise the Chicken Show to tourists, such as event staff t-shirts, parade toss items, and promotional shirts.

The Chicken Show itself is an income generator and pays for itself year to year. What is being requested is to pay for long-term items.

Councilmember Ley asked if the Chicken Show is running "in the black", why couldn't those monies be used to replace/purchase some of these items rather than using LB840 funds?

Ms. Fletcher responded that the committee is in a position now where they want to move the Chicken Show forward and present it with a more coordinated look. She noted that the Committee solicits the entire community for sponsorship, and they get very good participation yearly from the business community.

Councilmember Alexander made a motion, which was seconded by Councilmember Berry approving the recommendation from the LB840 Sales Tax Advisory Committee to approve a \$12,050 grant to the Wayne Chicken Show to be used to update their long-term marketing materials. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, the Mayor declared the motion carried.

Discussion took place on the new construction housing incentives which was a goal from council retreat. Administrator Johnson presented the following suggestions for discussions purposes.

Build Fifteen \$150,000 Market Rate Houses or Townhouses on Any City Residential Lots:

1. Lots can be selected within the city limits by the builder or buyer.
2. Incentives for fifteen homes will be approved on a first-come, first-serve basis until gone.
3. Builder/buyer will sign an agreement with the City for the approved incentives.
4. Builder/buyer participation in the Energy Star Program is required with every house receiving the incentive.
5. Eligible home buyers must have annual household incomes of no more than 150% median income for Wayne County.
6. Builder will be eligible for a \$20,000 construction loan per speculative housing unit and \$30,000 per housing unit being customer built by an owner of a lot, at 0% interest till the date of sale or for 4 years, whichever comes first, from LB840 funds or other funds provided by the City.
7. Proceeds from the incentive loan repayments will be deposited into a city revolving loan fund to be re-loaned for future housing construction incentives.

8. Construction loan would be secured by a Deed of Trust on the property and subordinate to commercial or private construction financing.
9. Approval of front elevation design of each house receiving a construction loan incentive will be required by City Council or a designated representative with approval of the building permit.
10. Houses must be ready for an occupancy permit within 24 months of date of execution of incentive agreement.

Administrator Johnson stated he did receive a suggestion that the City limit the grant application to five houses at a time. We do have a proposal for ten houses that will be coming to us.

Councilmember Frevert wanted to know what the penalty would be if the houses aren't ready for an occupancy permit within the 24-month time frame. Administrator Johnson opined he thought a penalty worked better. This can be included so it is clear.

Councilmember Sturm preferred that there be no extensions and that needed to be made clear, also.

Nancy Braden, Finance Director, also suggested adding the language "upon permanent financing" in paragraph 6.

BJ Woehler who was present wanted to see the house limit reduced to five for individuals and ten for builders. In addition, he had issues with the design criteria. He also asked if the Council would consider this incentive proposal for modular homes.

Lou Benscoter was present and advised the Council he is set to go with ten houses. He wants to break ground on May 1st, and hopes that the Council won't limit him on the number of lots he can obtain incentives on.

This matter will be brought before Council in the not-too-distant future for action.

Discussion took place regarding the City of Wayne computer and firearm loan policies. Administrator Johnson stated back in the 1990's, the Mayor and Council

established an incentive plan to use payroll deduction loans for staff to purchase computers for personal use at home to encourage staff to learn new communication technologies more quickly. Firearms were included later to encourage police officers to be armed off duty. A city staff meeting proposal is to make no new payroll deduction loans to employees that already have payroll wage garnishments. A subsequent proposal was made by a Councilmember to simply end the payroll deduction loan policy instead of changing it as proposed above.

Councilmember Berry thought the policy should be discontinued

Councilmember Sturm stated we're loaning citizens money to pay their activity center memberships through their monthly utility bill for one year.

It was noted that there has been approximately \$3,000 turned over to collection for unpaid community activity center memberships. The City has not lost any money on a computer/firearm loan. There are about 15 loans out at this time.

Nancy Braden, Finance Director, suggested charging a loan processing fee in lieu of charging interest.

Staff was directed to make changes to the policy and bring the same back for Council consideration.

Mayor Chamberlain stated the following ordinance would amend the Mayor and Council Salaries as follows:

Mayor

\$190 per regular Council meeting (24) = annual salary of \$4560

Council President

\$160 per regular Council meeting (24) = annual salary of \$3840

Councilmember

\$125 per regular Council meeting (24) = annual salary of \$3000

For special sessions (e.g. Retreat, League of Nebraska Municipality Conferences, etc.) (per event):

Mayor - \$190

Council President - \$160

Councilmember - \$125

For all conferences, meetings, legislative visits lasting greater than 4 hours (travel included for non-local) - \$100 per event

For all conferences, meetings, legislative visits lasting greater than 2 hours, but less than 4 hours (travel included for non-local) - \$50 per event

For all conferences, meetings, legislative visits lasting less than 2 hours (travel included for non-local) - \$25 per event

Mayor Chamberlain was proposing to break the compensation down per meeting, which might encourage Councilmembers to attend more meetings. The end result for Councilmembers stays the same if they attend all of the Council meetings. The Mayor's salary would change by \$60 per year. The biggest change proposed is that of the Council President. The Council President's responsibility is very similar to the Mayor's.

The purpose for these recommended changes is to incent Councilmembers that don't attend as many meetings or are not as involved as others to become a little bit more involved and take some of the pressure off of those that take the bulk of the load on.

Councilmember Frevert thought the consensus of Council at retreat was that this was not necessary at this time.

Councilmember Alexander agreed with the proposal to increase the salary for Council President. He thought the Councilmembers salaries needed to be capped at \$3,000, as well as the Mayor's at \$4,500.

Councilmember Alexander left the meeting at 7:05 p.m.

Mayor Chamberlain stated the way the ordinance is written, the amount one receives will change for some, but for some, it won't.

Councilmember Sturm stated if the salaries are changed, more people may run for these positions. If the Council doesn't want to compensate those that attend the meetings or are on the committees, then he proposed that the Mayor just appoint Councilmembers to be on the committees and you have no choice on the matter.

Mayor Chamberlain stated before this would pass, they would need to come up with a list of what meetings are and are not approved for reimbursement.

Councilmember Haase made a motion and Councilmember Frevert seconded to table action on Ordinance 2012-9.

Mayor Chamberlain requested the Council to forward their suggestions or comments to him prior to the next meeting.

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

The following Ordinance would release and abandon the utility easements located on each side of the lot line, except for the West 7' of the lot line between Lots 5 and 6, Homestead Addition to the City of Wayne. These two lots have been purchased for the purpose of building one single-family residence thereon. All residential subdivisions lots have utility easements reserved for public utilities when they are platted. An owner of both lots can build one structure on both, but cannot build over public easements until the same have been vacated.

Councilmember Sturm introduced Ordinance 2012-10, and moved for approval thereof; Councilmember Ley seconded.

ORDINANCE NO. 2012-10

AN ORDINANCE AUTHORIZING THE RELEASE AND ABANDONMENT OF THE UTILITY EASEMENTS LOCATED ON EACH SIDE OF THE LOT LINE, EXCEPT FOR THE WEST 7' OF THE LOT LINE, BETWEEN LOTS 5 AND 6, HOMESTEAD ADDITION TO THE CITY OF WAYNE, WAYNE COUNTY, NEBRASKA.

Mayor Chamberlain 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 Ley seconded to suspend the statutory rules requiring ordinances to be read by title on three different days. Mayor Chamberlain 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 Ley seconded to move for final approval of Ordinance No. 2012-10. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, the Mayor declared the motion carried.

Councilmember Haase made a motion, which was seconded by Councilmember Brodersen, to adjourn the meeting. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, the Mayor declared the motion carried and the meeting adjourned at 7:11 p.m.