

**MINUTES  
CITY COUNCIL MEETING  
April 3, 2012**

The Wayne City Council met in regular session at City Hall on Tuesday, April 3, 2012, at 5:30 o'clock P.M. Mayor Ken Chamberlain called the meeting to order with the following in attendance: Councilmembers Brian Frevert, Jon Haase, Dale Alexander, Doug Sturm, Kathy Berry, and Jill Brodersen; City Attorney Amy Miller; City Administrator Lowell Johnson; and City Clerk Betty McGuire. Absent: Councilmembers Jim Van Delden and Kaki Ley.

Notice of the convening meeting was given in advance by advertising in the Wayne Herald on March 22, 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 Alexander, whereas the Clerk has prepared copies of the Minutes of the meeting of March 20, 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:** AMERITAS, RE, 1806.98; APPEARA, SE, 150.58; ARNIE'S FORD, SE, 1946.88; BANK FIRST, FE, 140.00; CITY EMPLOYEE, RE, 40.68; BLACK HILLS ENERGY, SE, 711.90; BOMGAARS, SU, 13.58; CITY EMPLOYEE, RE, 48.11; BW PLUS GRAND ISLAND INN, SE, 659.94; CARROT-TOP INDUSTRIES, SU, 592.52; CITY EMPLOYEE, RE, 7589.40; CENTURLINK, SE, 309.27; CITY OF WAYNE, PY, 57776.54; CITY OF WAYNE, RE, 182.08; CITY OF WAYNE, RE, 35.00; COMMUNITY HEALTH, RE, 3.00; CUMING CO. COURT, RE, 300.00; DCL AMERICA, SE, 29873.30; DUTTON-LAINSON, SU, 874.54; EAKES

OFFICE PLUS, SE, 247.20; ECHO GROUP, SU, 114.38; ELECTRIC FIXTURE, SU, 14.90; ELLIS PLUMBING & HEATING, SE, 170.01; ENGINEERED CONTROLS, SE, 450.00; FIRST CONCORD GROUP, SE, 3414.88; FLOOR MAINTENANCE, SU, 326.92; GERHOLD CONCRETE, SU, 875.38; H.K. SCHOLZ COMPANY, SE, 18739.23; CITY EMPLOYEE, RE, 22.56; HYDRAULIC EQUIPMENT, SE, 974.03; ICMA, SE, 5318.67; IRS, TX, 19175.08; JANWAY COMPANY, SU, 174.00; JEO CONSULTING GROUP, SE, 14484.65; JOANNE BAIER, RE, 500.00; LAW ENFORCEMENT SERVICES, SE, 945.00; MAEDC, FE, 125.00; MCGUIRE & NORBY, SE, 1419.00; MILO MEYER CONSTRUCTION, SE, 1500.00; CITY EMPLOYEE, RE, 195.77; NCO PORTFOLIO MANAGEMENT, RE, 444.68; NE DEPT OF REVENUE, TX, 3087.82; NE NEB INS AGENCY, SE, 58224.50; NEXIC, SE, 426.00; NICHOLAS KEMNITZ, SE, 120.00; N.E.NE AMERICAN RED CROSS, RE, 59.24; NNPPD, SE, 3325.00; OPTIMUM DATA, SU, 595.00; OTTE CONSTRUCTION, SU, 100.00; OVERHEAD DOOR COMPANY, SU, 2450.50; CITY EMPLOYEE, RE, 632.94; PROVIDENCE MEDICAL CENTER, SE, 360.00; R.S. STOVER, SE, 35436.20; SIMPLEXGRINNELL, SU, 465.20; STATE NATIONAL BANK, RE, 101.56; UNITED WAY, RE, 10.00; VIAERO, SE, 164.98; VOSS LIGHTING, SU, 92.70; WAED, SU, 23.00; WAYNE COUNTY COURT, RE, 150.00; WELLS FARGO FINANCIAL, FE, 17008.20; ADVANCED CONSULTING, SE, 8000.00; AMERICAN BROADBAND, SE, 1985.58; AS CENTRAL SERVICES, SE, 448.00; CITY EMPLOYEE, RE, 1227.08; CITY EMPLOYEE, RE, 36.63; BOMGAARS, SU, 989.59; CARHART LUMBER COMPANY, SU, 597.55; CITY OF WAYNE, RE, 100.00; DE LAGE LANDEN FINANCIAL, SE, 77.00; DUTTON-LAINSON, SU, 10665.98; EASYPERMIT POSTAGE, SU, 1883.80; FLOOR MAINTENANCE, SU, 32.85; GILL HAULING, SE, 155.00; CITY EMPLOYEE, RE, 27.70; IPMA, SE, 233.50; INTERSTATE BATTERY SYSTEM, SU, 319.90; JASON CAROLLO, SE, 35.00; JEO CONSULTING GROUP, SE, 2494.00; JUDITH A. JANSSEN, SE, 1350.00; KELLY MEYER, SU, 66.50; LOFGREN, LAUREN, RE, 450.74; MSC INDUSTRIAL, SE, 252.16; MUNICIPAL SERVICE, SE, 3054.29; NATIONAL LEAGUE OF CITIES, FE, 1117.00; CITY EMPLOYEE, RE, 84.89; NE CODE OFFICIAL ASSOC, FE, 200.00; NE ENVIRONMENTAL PRODUCTS, SU, 407.34; NE LAW ENFORCEMENT, SE, 30.00; NE PUBLIC HEALTH, SU, 898.00; NE SAFETY COUNCIL, SE, 11.45; OLSSON ASSOCIATES, SE, 6262.28; PAC N SAVE, SU, 104.50; PIEPER & MILLER, SE, 3923.72; PLUNKETT'S PEST CONTROL, SE, 41.60; QUALITY FOODS, SU, 11.59; QUILL, SU, 97.50; STADIUM SPORTING GOODS, SU, 160.00; STANLEY SECURITY SOLUTION, SU, 105.24; STATE NATIONAL BANK, SE, 56.24; STEFFEN, SU, 322.34; SWAN ENGINEERING, SU, 328.04; THE CORNHUSKER HOTEL, SE, 1346.45; US BANK, SU, 4194.98; VERIZON, SE, 152.71; WAED, RE, 6383.33; WAYNE HERALD, SU, 46.00; WESCO, SU, 888.21; CITY EMPLOYEE, RE, 140.00; ZACH OIL, SU, 5159.68

Councilmember Sturm made a motion and Councilmember Brodersen 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.

A request was made by Sharp Construction, Inc., for Council consideration to allowing him to erect or place a business sign on his building located at 208 Logan Street. The sign would hang over the sidewalk by approximately 4' and would be at least 10' above the sidewalk. It's a 4' x 3' sign.

Joel Hansen, Zoning Administrator, advised the Council that Section 18-341 of the Wayne Municipal Code states that it is unlawful for any person to erect or place any business sign or awning in, on or over any sidewalk, street, or public property in the city without obtaining a permit from the Council.

Nick Hochstein was present to answer questions.

Councilmember Brodersen made a motion, which was seconded by Councilmember Sturm, approving the request of Sharp Construction, Inc., to erect a sign at his building located at 208 Logan Street. 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 and Councilmember Alexander seconded to adjourn as Mayor and City Council and reconvene as the Board of Equalization. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, the Mayor declared the motion carried.

The Mayor declared that in accordance with published notice, it was now time to conduct the public hearings relative to the levy of special assessments in:

- Street Improvement District No. 2010-01
- Street (Sidewalk) Improvement District No. 2010-02
- Street (Sidewalk) Improvement District No. 2010-03
- Street (Sidewalk) Improvement District No. 2010-04

and declared the public hearings open.

Administrator Johnson reviewed the assessment process for the Council. The cost was set at \$25 per linear foot which is the same cost that was assessed on the sidewalks on Main Street a couple of years ago.

The Mayor then asked if there were any persons present who wished to be heard concerning the proposed assessments in said District.

Renee Jacobsen, owner of the property at 118 E. Second Street, was present. She questioned the \$25 per linear foot and the portion of that cost that was paid for by the grants that were obtained for handicapped/ADA ramps, etc. She asked for a breakdown per lot or building showing what was attributable to each property. The majority of her property is ramps.

City Clerk McGuire had not received any written objections to these assessments.

The assessments will be spread out over a period of 10 years at 4.25% interest.

There being no other persons wishing to be heard concerning the improvements and the proposed levy of special assessments within:

- Street Improvement District No. 2010-01
- Street (Sidewalk) Improvement District No. 2010-02
- Street (Sidewalk) Improvement District No. 2010-03
- Street (Sidewalk) Improvement District No. 2010-04

the Mayor declared the hearings closed.

Councilmember Sturm introduced Resolution 2012-24 and moved for its approval conditioned upon information being provided to the property owners as requested; Councilmember Alexander seconded.

RESOLUTION NO. 2012-24

A RESOLUTION MAKING ASSESSMENTS IN STREET IMPROVEMENT DISTRICT NO. 2010-01.

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

Councilmember Alexander introduced Resolution 2012-25 and moved for its approval conditioned upon information being provided to the property owners as requested; Councilmember Sturm seconded.

RESOLUTION NO. 2012-25

A RESOLUTION MAKING ASSESSMENTS IN STREET (SIDEWALK) IMPROVEMENT DISTRICT NO. 2010-02.

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

Councilmember Sturm introduced Resolution 2012-26 and moved for its approval conditioned upon information being provided to the property owners as requested; Councilmember Alexander seconded.

RESOLUTION NO. 2012-26

A RESOLUTION MAKING ASSESSMENTS IN STREET (SIDEWALK) IMPROVEMENT DISTRICT NO. 2010-03.

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

Councilmember Alexander introduced Resolution 2012-27 and moved for its approval conditioned upon information being provided to the property owners as requested; Councilmember Haase.

RESOLUTION NO. 2012-27

A RESOLUTION MAKING ASSESSMENTS IN STREET (SIDEWALK) IMPROVEMENT DISTRICT NO. 2010-04.

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 Alexander, to adjourn as the Board of Equalization and reconvene as Mayor and City Council. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, the Mayor declared the motion carried.

Four bids were received on the Western Ridge Paving – Phase II, Wayne, Nebraska – 2012 Project. Advanced Consulting Engineering Services, the engineer on the project, has reviewed the same and is recommending that the project be awarded to the low bidder, Luxa Construction, Co. of Blair, NE, in the amount of \$142,664.67. The engineer’s estimate was \$165,000.

Councilmember Sturm introduced Resolution 2012-28, and moved for its approval; Councilmember Brodersen seconded.

RESOLUTION NO. 2012-28

A RESOLUTION ACCEPTING BID AND AWARDING CONTRACT ON THE “WESTERN RIDGE PAVING - PHASE II, WAYNE, NEBRASKA – 2012 PROJECT.”

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

Mayor Chamberlain stated agenda item numbers 12 and 13 are tabled until a later council meeting.

Advanced Consulting Engineering Services submitted Change Order No. 1 on behalf of Penro Construction Co. regarding the Water and Sewer Improvement Project 2011 (Western Ridge III Addition). This is for the addition of water and sewer services for Glen's Body Shop and the sewer service east of Glen's. It also includes additional work for boring under the driveway at Glen's to save on removing the replacement costs and limiting any disruption to the business. Service lines were extended to the property line. The change order was an increase in the amount of \$5,890.00.

Garry Poutre, Superintendent of Public Works & Utilities, was present to answer any questions.

Councilmember Sturm made a motion and seconded by Councilmember Haase approving Change Order No. 1 for the Wayne Water and Sewer Project (Western Ridge III Addition) in the amount of \$5,890.00. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, the Mayor declared the motion carried.

Advanced Consulting Engineering Services submitted Change Order No. 2 on behalf of Penro Construction Co. regarding the Water and Sewer Improvement Project 2011 (Pheasant Run Road/Bomgaars Project). This is an adjustment to bring proposed quantities in line with final quantities. The change order is a decrease in the amount of \$267.44.

Councilmember Sturm made a motion, which was seconded by Councilmember Brodersen approving Change Order No. 2 for the Wayne Water and Sewer Project in the

amount of -\$267.44. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, the Mayor declared the motion carried.

A pay request (final) has been received from Penro Construction Co., Inc., for the Water and Sewer Improvement – 2011, Wayne, NE, Project in the amount of \$36,940.91. The engineer on the project has approved the same.

Councilmember Haase made a motion, which was seconded by Councilmember Sturm approving Contractor’s Application for Payment No. 2 (Final) for the Water and Sewer Improvements – 2011 Wayne, NE, Project in the amount of \$36,940.91 to Penro Construction Co., Inc. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, the Mayor declared the motion carried.

Brian and Amy Bowers submitted a request for “Agricultural Deferment” of all special assessments from the Pheasant Run Road Paving District.

Nebraska State Statutes state that if land is being used primarily for agricultural purposes, the property owners are eligible to request that the assessments be deferred until such time as the ag use would cease to exist. This is part of the negotiated settlement with the Bowers for a temporary construction easement on their property. If the Bowers do not grant this easement to the City, the City would need to build a \$70,000, 12-15 foot retaining wall on the west side of Pheasant Run Road. The County Commissioners have approved this request.

Joel Hansen, Street Superintendent, was present to answer questions, and requested that if Council approves this assessment deferral request, that it be conditioned upon the Bowers signing the temporary construction easement.

Councilmember Alexander made a motion, which was seconded by Councilmember Frevert approving the agricultural deferment request of Brian and Amy Bowers of all special assessments from the Pheasant Run Road paving District, contingent upon Brian and Amy Bowers signing the necessary temporary construction easement for the project. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, the Mayor declared the motion carried.

The following Resolution is a required legal action that allows a city to advance funds to complete a project and then reimburse itself from assessments to the property owners in the district after the project is completed.

Under the current tax code, if a City advances monies from another fund without having a reimbursement resolution in place within sixty days of said advancement, then it is impossible to refund that borrowed fund using tax exempt bond proceeds. This will allow the City to roll the project into a bond issue, if it so desires.

Councilmember Sturm introduced Resolution 2012-29 and moved for its approval; Councilmember Alexander seconded.

#### RESOLUTION NO. 2012-29

A RESOLUTION APPROVING REIMBURSEMENT OF FUNDS TEMPORARILY ADVANCED TO PAY FOR THE PHEASANT RUN ROAD AND THE WESTERN RIDGE PROJECTS.

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

The Trail Signage Project is complete. The State must do a final inspection on the project before the final payment can be made to Tri-City Sign Company. It is thought the final inspection should take place between now and the next Council meeting.

Councilmember Frevert made a motion, which was seconded by Councilmember Sturm approving final payment in the amount of \$5,355, pending final inspection and approval from the Game & Parks Commission to Tri-City Sign Company for the trail signage project. Mayor Chamberlain stated the motion, and the result of roll call being all Yeas, the Mayor declared the motion carried.

Discussion took place regarding the proposed ordinance to increase the salary for the Mayor and Council. This is a continuation of the discussion that took place at the last Council meeting.

Councilmember Frevert preferred not increasing the pay at this time. However, if he had to choose, he would do one or the other, but not a combination of both. Mayor Chamberlain stated the only increase would be that of the Council President. The Mayor and Council wages would stay the same. The other change would be compensating people for the additional meetings they attend, other than the ones that take place before a Council meeting.

After discussion, the following suggested changes were made:

**Mayor**

\$190 per regular Council meeting (24) = annual salary of ~~\$4,560~~ \$4,500

**Council President**

\$160 per regular Council meeting (24) = annual salary of \$3,840

**Councilmember**

\$125 per regular Council meeting (24) = annual salary of \$3,000

For special sessions (e.g. ~~Retreat~~, League of Nebraska Municipality Conferences, etc.) (1 per ~~event~~ year):

**Mayor - ~~\$190~~ \$100**

**Council President - ~~\$160~~ \$100**

**Councilmember - ~~\$125~~ \$100**

For all conferences, meetings, legislative visits lasting greater than 4 hours (travel included for non-local) - ~~\$100~~ \$75 per event (not including days of Council meetings).

For all conferences, meetings, legislative visits lasting greater than 2 hours, but less than 4 hours (travel included for non-local) - ~~\$50~~ \$25 per event (not including days of Council meetings).

For all conferences, meetings, legislative visits lasting ~~less than 2 hours~~ greater than 1 hour but less than 4 hours (travel included for non-local) - \$25 per event (not including days of Council meetings).

Councilmember Sturm introduced Ordinance 2012-9, and moved for approval thereof, as amended above; Councilmember Brodersen seconded.

#### ORDINANCE NO. 2012-9

AN ORDINANCE ESTABLISHING ANNUAL SALARY FOR MAYOR AND CITY COUNCIL MEMBERS, REPEALING CONFLICTING ORDINANCES, AND ESTABLISHING AN EFFECTIVE DATE.

Mayor Chamberlain stated the motion, and the result of roll call being all Nays (Frevert, Haase, Alexander, and Berry), and two Yeas (Sturm and Brodersen), Mayor Chamberlain declared the motion failed.

The following Resolution pertains to “housing construction loan incentives” that came out of the Council Retreat. The proposed incentives are as follows:

1. Lots can be selected within the city limits by the buyer or builder.
2. Incentives for fifteen homes will be approved on a first-come, first-serve basis.
3. Builder/buyer will sign an agreement with the City for incentives for approved incentives.
4. Builder/buyer participation in the “Energy Star Program” is required with every house receiving incentives.
5. Eligible home buyers must have an annual household income 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 built by an owner of a lot, at 0% interest until date of sale or four (4) years, whichever comes first, from LB840 funds or other funds provided by the City with payback from the homebuyer at the time of permanent financing.
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. Applications for housing incentive construction loans must be submitted to the Wayne City Council for their approval.
10. Approval of front elevation design of each house receiving a construction loan incentive will be required by the City Council or a designated representative with approval of the building permit.
11. Houses must be ready for occupancy permit within 24 months of date of execution of an incentive agreement.
12. Suggested penalties for not completing house within the required 24 months are:
  - a. If primary construction loan is not secured within 6 months of approval of the incentive, the City incentive loan will become void.
  - b. If the house is not ready for occupancy within 24 months, the builder is not eligible for future city incentives.
  - c. If the house does not have an occupancy permit within 24 months, the loan is in default and due immediately at 5% interest from the date of loan approval.
13. Request for LB840 funds – will need to borrow funds from the Electric Fund to establish the first round of loans.

If this is approved, an application will be submitted to the LB840 Sales Tax Advisory Committee for monies to use as a revolving loan fund for this program.

All applications will come before Council for approval.

Councilmember Haase introduced Resolution 2012-30 and moved for its approval and adding “two construction seasons” to paragraph 11; Councilmember Alexander seconded.

RESOLUTION NO. 2012-30

A RESOLUTION ESTABLISHING HOUSING CONSTRUCTION LOAN INCENTIVES FOR BUILDERS.

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

The following Resolution would approve the Council goals that were established at their retreat in January.

BJ Woehler spoke concerning the goal – Enforcement of Property Maintenance Code. He asked that Council take a more personable approach with this matter. In addition he asked that the City look at their own buildings first.

Councilmember Frevert introduced Resolution No. 2012-31 and moved for its approval; Councilmember Brodersen seconded.

RESOLUTION NO. 2012-31

A RESOLUTION IDENTIFYING CITY OF WAYNE GOALS.

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

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

Chair Haase called the meeting of the Community Development Agency to order. Those in attendance were: Members Brian Frevert, Dale Alexander Ken Chamberlain, Doug Sturm, Kathy Berry and Jill Brodersen; City Attorney Amy Miller; City

Administrator Lowell Johnson; and City Clerk Betty McGuire. Absent: Members Jim Van Delden and Kaki Ley.

Chair Haase 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 February 21, 2012, meeting.

Member Alexander made a motion and Member Frevert seconded approving the minutes of the February 21, 2012, meeting. Chair Haase stated the motion, and the result of roll call being all Yeas, the Chair declared the motion carried.

It was noted that no action needed to be taken on item c – Action to Rescind CDA Resolution 2009-9 dated December 15, 2009, which authorized the issuance of tax increment revenue bond (Northeast Nebraska Investors, LLC, Project).

The next item on the agenda was to consider and take action on CDA Resolution 2012-2 authorizing the issuance of tax increment revenue bond (Northeast Nebraska Investors, LLC Project). Northeast Nebraska Investors, LLC, is ready to process the TIF Bond, and the same is now being reissued.

Member Frevert introduced CDA Resolution No. 2012-2 and moved for its approval; Member Alexander seconded.

#### CDA RESOLUTION NO. 2012-2

A RESOLUTION OF THE CITY OF WAYNE, NEBRASKA, ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WAYNE ACTING AS THE GOVERNING BODY OF THE COMMUNITY DEVELOPMENT AGENCY OF SAID CITY; AUTHORIZING THE ISSUANCE OF A TAX INCREMENT REVENUE BOND; PROVIDING FOR THE TERMS AND PROVISIONS OF SAID BOND; PLEDGING REVENUES OF THE AGENCY PURSUANT TO THE COMMUNITY DEVELOPMENT LAW; AUTHORIZING THE SALE OF SAID BOND; PROVIDING FOR A GRANT;

PROVIDING FOR A REDEVELOPMENT CONTRACT AND PROVIDING FOR THIS RESOLUTION TO TAKE EFFECT.

Chair Haase stated the motion, and the result of roll call being all Yeas, with the exception of Chair Haase abstaining due to a conflict of interest, the Chair declared the motion carried.

The next item on the agenda was to discuss and establish prices on the remaining lots in the Western Ridge Subdivision. After discussion, the CDA agreed to reduce the lot price of Lot 14 from \$12,000 to 6,500. The price of Lot 1, which is a very small lot, would be reduced to zero if it is attached to Lot 2. The total price of those two lots would then be \$9,000.

Before action was taken on this matter, it was recommended that the following agenda item, which was a proposal by Kelby Herman to purchase Lots 1 and 2 for \$2,500 each be discussed. Mr. Herman proposes to construct a duplex and have the same completed within six months after executing the 6-month option window on said lots. He is also requesting the City to rebate the building permit cost back to him to be used as a credit for future lot purchases in Western Ridge II. In addition, he is requesting that the City allow the owner of Western Ridge I to utilize the sewer stub located near Outlot A or provide a stub at the expense of the City when the City enforces the discontinued use of the septic system located on Western Ridge I.

BJ Woehler suggested that the CDA also sell Mr. Herman Tax Lot A, which is just south of Lot 1, to get that on the tax rolls.

While the rebate might be a good incentive, Member Chamberlain thought a timeline needed to be placed on it for him to use. Member Brodersen thought if the rebate is allowed for Mr. Herman, it should be allowed for others.

Member Alexander suggested giving Mr. Herman the option of purchasing Lots 1, 2 and Outlot A for \$9,000.

Joel Hansen, Building Inspector, advised the Council that the issue with Outlot A is that the as-builts did not show a sewer stub on Outlot A for Mr. Herman to attach to. The contractor states that it is there, but he cannot verify that by looking in the manhole. This is the reason for Mr. Herman's request for the City to provide a sewer stub at the expense of the City if there is not one near Outlot A.

It was noted that the City will not see any property taxes from this development for another 12 years.

Member Chamberlain made a motion and Member Frevert seconded to approve the lot prices on the remaining lots in Western Ridge Subdivision as proposed, with the exception of Lot 14 being reduced from \$12,000 to \$9,000.

Further discussion took place regarding the proposed price of Lot 14.

Member Chamberlain amended his motion and Member Frevert seconded the amendment to approve the lot prices on the remaining lots in Western Ridge Subdivision as proposed, with the exception of Lot 14 being left at \$6,500. Chair Haase stated the motion, and the result of roll call being all Yeas, the Chair declared the motion carried.

Member Sturm made a motion and Member Chamberlain seconded approving the proposal of Kelby Herman, as presented, to purchase and develop Lots 1 and 2, Western Ridge Subdivision, providing he is agreeable to taking Outlot A at no cost. Chair Haase stated the motion, and the result of roll call being all Yeas, with the exception of Member Brodersen who voted Nay, the Chair declared the motion carried.

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

Councilmember Haase made a motion, which was seconded by Councilmember Alexander, 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 7:15 p.m.